

## **Historic, archived document**

Do not assume content reflects current scientific knowledge, policies, or practices.

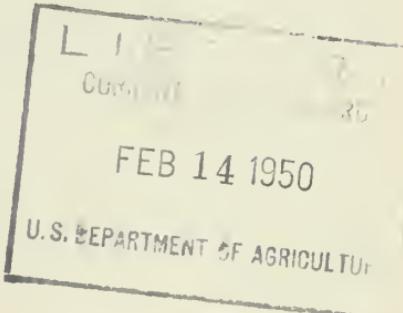


ve

Ralph H. Taylor

5R

# Report of the Director of Finance 1949



UNITED STATES DEPARTMENT OF AGRICULTURE

## *In Memoriam*

William A. Jump, who passed away on January 22, 1949, had been Department Budget Officer since the creation of that position in 1922, and Director of Finance since 1934, when the Office of Budget and Finance was established. His entire career was devoted to public service in the United States Department of Agriculture.

His untimely death was a great loss to the Office of Budget and Finance, the Department of Agriculture, and the Federal Government as a whole. Mr. Jump was recognized generally as an outstanding authority on budgetary and financial administration, and as a creative thinker and leader in a continuing effort to obtain improvement in these fields. His quest for progress was unending and his capacity for originality and useful innovation seemed unlimited.

His early realization that budgeting is a basic part of program development and operation did much to make budgeting the vital management force it is today. Through the years he emphasized the importance of preparing and presenting budgets which would reflect the nature and objectives of the work which the Congress had authorized and directed the Department to do. This contributed immeasurably to the integration of budgeting and programming, making them joint parts of a single, continuous process. Mr. Jump's efforts to encourage such budgeting were a reflection of one of the basic tenets of his philosophy of public service—an intense conviction that the public should be kept informed of the purposes of Government program expenditures, and that the programs themselves should be responsive to the needs and desires of the American people.

Mr. Jump left a heritage in the ideals he fostered and a challenge in the memory of his devotion to democratic public service.

# REPORT OF THE DIRECTOR OF FINANCE, 1949

UNITED STATES DEPARTMENT OF AGRICULTURE,  
OFFICE OF BUDGET AND FINANCE,  
*Washington, D. C., October 20, 1949.*

HON. CHARLES F. BRANNAN,  
*Secretary of Agriculture.*

DEAR MR. SECRETARY: I respectfully submit the following report for the fiscal year 1949 covering the financial operations of the Department of Agriculture. The report also includes a brief statement on certain activities of the Office of Budget and Finance that are of current interest.

Sincerely,

RALPH S. ROBERTS,  
*Director.*

## CONTENTS

	Page
Tables of financial operations of the Department of Agriculture.....	2
Office of Budget and Finance.....	31
Statement of functions.....	31
Management improvement activities.....	31
Accounting systems and procedures.....	32
Surveys and examinations of accounting operations.....	32
New Federal property law.....	33
Consolidating small purchases.....	33
Procurement liaison and related activities.....	33
Contracting.....	34
Property utilization.....	34
Forms management.....	34
Performance budgeting.....	35
Departmental discussions on budget formulation.....	35
Reporting budgetary and financial information.....	36
Legislative reports and services.....	36

## TABLES OF FINANCIAL OPERATIONS OF THE DEPARTMENT OF AGRICULTURE

The tables included in this report reflect in summary form the financial aspects of the Department's operations during the fiscal year 1949. In brief, they furnish an accounting for the several types of funds available during the year, the extent to which the funds were used, expenditures, receipts, and other related information. Included also are financial statements for the corporations which are supervised by the Department.

The total funds available, excluding funds arising from corporate operations, and the extent to which such funds were used during the year are summarized in table 1 (page 5). The table has been arranged to show the distribution of funds by (1) type of fund, (2) agencies, and (3) general type of activity involved. The following analysis may also contribute to a better understanding of the use of the funds made available to the Department:

	<i>Amount (in millions)</i>	<i>Percent of total</i>
Loans under the agricultural lending programs to be repaid to the Government in future years-----	\$560	40. 5
Payments to individuals cooperating under Agricultural Conservation and Sugar Act programs, and payments for removal of surplus agricultural commodities-----	286	20. 6
Payments to States and Territories for experiment station research, agricultural cooperative extension work, school lunch program, cooperative control of forest fires, and other payments-----	130	9. 4
All other, including—in addition to administrative and operating costs incident to the above activities—funds for direct expenditure by the Department for agricultural research; insect pest and plant disease control; marketing and regulatory activities; soil conservation districts program; protection, development, and management of the national forests; flood control; and services performed for other departments and agencies-----	\$409	29. 5
Total obligations-----	1, 385	100. 0

Summary and detailed comparisons of the appropriations to the Department for the fiscal years 1948, 1949, and 1950 are furnished in tables 2 and 3. A historical comparison for the 10-year period 1941 to 1950, inclusive, is shown in table 4. An analysis of the portion of the funds devoted to research is provided in table 5 which describes the general types of research undertaken by the Department and shows fund comparisons over the 10-year period 1941 to 1950, inclusive.

Expenditures for the year are set forth in tables 6, 8, and 9. As distinguished from obligations which include only current year activity, it should be noted that expenditures for any one year include payments of obligations incurred not only during that year but also current liquidation of unpaid obligations of prior years. In order to furnish a more complete picture of the size and scope of the services performed by the Department of Agriculture for other Federal departments and agencies, a detailed listing of appropriation transfers and working funds has been given in table 8. Funds which are received and expended by the Department as trustee under cooperative and other agreements, and special legislative provisions, are reflected in table 9.

Collections on loan programs of the Rural Electrification Administration and the Farmers Home Administration, sales of timber by the Forest Service, and certain other operations conducted by the Department result in substantial annual deposits in the United States Treasury. In 1949, such receipts totaled 325 million dollars of which approximately 16 million dollars were deposited in special fund receipt accounts and became available for expenditure for certain specified purposes. The balance of 309 million dollars was deposited into the general funds of the Treasury. Included in the latter deposit were payments of earned surplus of 68 million dollars by the Federal Farm Mortgage Corporation and approximately 49 million dollars by the Commodity Credit Corporation. A listing of the various receipts deposited by the Department is furnished in table 7. This table excludes, of course, receipts arising from trust fund activities which are included in table 9, as mentioned above.

Because of the nature and character of the operations of the noncorporate lending agencies and activities of the Department, a commercial type statement of sources and application of funds is presented for them in table 10, even though their activities are shown in the tables covering all noncorporate agencies.

Because of the general character of their operations under corporate charters, and the fact that their programs and other costs, with one exception, are financed from funds obtained through capital subscriptions or borrowings, the financial operations of the corporations are shown separately from other activities of the Department. The Federal Crop Insurance Corporation is the one exception, which receives annual appropriations for its administrative expenses, and such appropriations are therefore included in the appropriate tables mentioned above. Commercial type financial statements for the corporations are included in tables 11, 12, and 13.

#### FINANCIAL OPERATIONS, EXCLUDING FUNDS ARISING FROM CORPORATE OPERATIONS

	Page
Table 1. Summary of funds available, by type of funds, by agencies, and by general type of activity, fiscal year 1949-----	5
Table 2. Summary of appropriations and FHA and REA loan authorizations for the fiscal years 1948, 1949, and 1950-----	6
Table 3. Appropriations and FHA and REA loan authorizations for the fiscal years 1948, 1949, and 1950-----	7
Table 4. Appropriations, reappropriations, and FHA and REA loan authorizations, fiscal years 1941-50-----	13
Table 5. Estimated obligations for research under appropriations to the Department of Agriculture, fiscal years 1941-50-----	16
Table 6. Expenditures from appropriations, FHA and REA loan authorizations, and other related funds, fiscal years 1948 and 1949-----	18
Table 7. Receipts to U. S. Treasury arising from Department of Agriculture activities-----	20
Table 8. Transfers to the Department of Agriculture from appropriations to other departments, and advance working funds for services performed—funds available for obligation; and expenditures, fiscal years 1948 and 1949-----	21
Table 9. Trust funds—funds available for obligation; and expenditures, fiscal years 1948 and 1949-----	22
Table 10. Noncorporate lending agencies—combining statement of sources and application of funds, fiscal year 1949-----	23

## FINANCIAL ACTIVITIES OF CORPORATIONS

	Page
Table 11. Corporations—combining statement of sources and application of funds, fiscal year 1949-----	24
Table 12. Corporations—combining statement of income and expense, fiscal year 1949-----	26
Table 13. Corporations—combining condensed balance sheet as of June 30, 1949-----	28
Classification of agencies, corporations, and programs by general type of activity or purpose as used in tables 1 and 11-----	30

## DIRECTOR OF FINANCE

5

TABLE 1.—*Summary of funds available and obligations, by type of funds, by agencies, and by general type of activity, fiscal year 1949, excluding funds arising from corporate operations*<sup>1</sup>

Item	Funds available	Obligations
<b>By type of funds:</b>		
Appropriated funds	\$892,229,785	\$883,322,524
Authorization to borrow from the Secretary of the Treasury for REA loans	448,838,212	448,838,212
Transfers received from appropriations made to agencies outside the Department, and advance working funds for services performed	23,693,828	21,341,735
Trust funds	31,203,018	31,202,946
Subtotal	1,395,964,843	1,384,705,417
Funds which continue available in subsequent years <sup>2</sup>	223,710,733	-----
Total	3 1,619,675,576	1,384,705,417
<b>By agencies:</b>		
Agricultural Research Administration:		
Administrator, Office of	\$1,067,126	\$1,036,324
Agricultural and Industrial Chemistry, Bureau of	8,125,410	7,878,737
Animal Industry, Bureau of	48,006,192	47,537,740
Dairy Industry, Bureau of	1,494,819	1,483,713
Entomology and Plant Quarantine, Bureau of	14,962,924	14,698,092
Experiment Stations, Office of	11,056,260	11,040,908
Human Nutrition and Home Economics, Bureau of	1,595,186	1,580,243
Plant Industry, Soils, and Agricultural Engineering, Bureau of	12,194,187	12,024,361
Total, Agricultural Research Administration	98,502,104	97,280,118
Agricultural Economics, Bureau of	6,229,987	6,120,869
Commodity Exchange Authority	565,000	562,043
Extension Service	32,132,218	32,090,732
Farm Credit Administration	5,069,139	4,791,799
Farmers Home Administration	135,237,339	135,157,711
Federal Crop Insurance Corporation	4,476,253	4,059,940
Foreign Agricultural Relations, Office of	1,788,656	1,783,202
Forest Service	97,026,060	96,577,723
Information, Office of	3,257,944	3,056,560
Library	752,532	751,442
Production and Marketing Administration	496,007,940	487,890,680
Research and Marketing Act, Office of Administrator	189,300	177,293
Rural Electrification Administration	454,807,758	454,766,743
Secretary, Office of the	2,418,815	2,397,400
Soil Conservation Service	55,053,253	54,832,460
Solicitor, Office of the	2,450,545	2,408,702
Subtotal	1,395,964,843	1,384,705,417
Funds which continue available in subsequent years <sup>2</sup>	223,710,733	-----
Total	1,619,675,576	1,384,705,417
<b>By general type of activity:</b> <sup>4</sup>		
Research, service, and regulatory functions, including pest and plant and animal disease control	\$171,206,872	\$169,180,232
Agricultural loan, investment, and insurance programs	598,881,345	598,120,150
Production, purchase, diversion, and distribution of agricultural commodities	275,822,067	269,315,879
Conservation and development of agricultural land, water, and forest resources	342,666,148	340,956,816
Administrative, legal, and other departmental services	7,388,411	7,132,340
Subtotal	1,395,964,843	1,384,705,417
Funds which continue available in subsequent years <sup>2</sup>	223,710,733	-----
Total	1,619,675,576	1,384,705,417

<sup>1</sup> Excludes capital fund activity of the Commodity Credit Corporation, Federal Crop Insurance Corporation, and institutions supervised by the Farm Credit Administration, for which see tables 11 through 13.

<sup>2</sup> Consists of balances of trust funds, revolving funds, appropriations for 1950 which were enacted and made immediately available in June 1949, and other funds which continued available for obligation in 1950.

<sup>3</sup> Includes \$80,737,268 of the total of \$821,639,953 transferred from the Economic Cooperation Administration. The remaining \$740,902,685 was obligated for procurement of agricultural commodities by the Commodity Credit Corporation and is included in the financial statements of the Corporation reflected in tables 11, 12, and 13.

<sup>4</sup> For identification of items included under each "general type of activity," see p. 30.

## 6 ANNUAL REPORTS OF DEPARTMENT OF AGRICULTURE, 1949

TABLE 2.—*Summary of appropriations and FHA and REA loan authorizations for the fiscal years 1948, 1949, and 1950*

[Includes all supplemental and deficiency appropriations enacted to October 1, 1949, and where necessary, figures are adjusted for comparability on basis of appropriation structure in 1950]

Item	Appropriations		
	1948	1949	1950
Agricultural Research Administration:			
Administrator, Office of (including Agricultural Research Center)-----	\$486,800	\$435,528	\$414,400
Alaska, Research on agricultural problems of-----	100,000	441,000	675,000
Agricultural and Industrial Chemistry, Bureau of-----	5,679,494	5,955,455	5,661,525
Animal Industry, Bureau of:			
Foot-and-mouth disease:			
Eradication and control program-----	30,500,000	(1)	(1)
Construction of research laboratory-----		2 500,000	
Other work of the Bureau-----	15,705,993	23,596,511	22,729,000
Dairy Industry, Bureau of-----	1,052,852	1,147,099	1,093,200
Entomology and Plant Quarantine, Bureau of:			
Control of emergency outbreaks of insects and plant diseases-----	2,473,959	3,000,000	3,495,000
Other work of the Bureau-----	7,664,659	8,817,369	9,391,300
Experiment Stations, Office of (principally payments to States)-----	7,552,220	7,789,284	7,784,458
Human Nutrition and Home Economics, Bureau of-----	828,441	882,117	853,200
Plant Industry, Soils, and Agricultural Engineering, Bureau of-----	8,365,547	9,031,476	8,419,740
Special research fund-----	1,203,000	1,280,000	1,236,000
Strategic and critical agricultural materials research-----	349,000	361,700	349,000
Total, Agricultural Research Administration-----	81,961,965	63,237,539	62,101,823
Agricultural Economics, Bureau of-----	4,483,268	4,781,057	4,646,900
Commodity Exchange Authority-----	536,224	573,180	558,200
Extension Service (principally payments to States)-----	28,384,787	31,565,482	32,557,160
Farm Credit Administration:			
Direct appropriation-----	561,000	500,000	500,000
Assessments against member institutions of the Farm Credit System-----	2,453,734	2,260,400	2,294,000
Farmers Home Administration:			
Farm tenancy loans-----	15,000,000	15,000,000	3 15,000,000
Production and subsistence loans-----	60,000,000	75,000,000	3 85,000,000
Water facilities loans-----	1,510,000	1,510,000	3 3,000,000
Farm tenant mortgage insurance fund-----	1,000,000		
Loans to farmers, flood damage-----	6,000,000		
Salaries and expenses-----	21,242,209	23,672,160	23,649,000
Total, Farmers Home Administration-----	104,752,209	115,182,160	126,649,000
Federal Crop Insurance Corporation:			
Salaries and expenses-----	5,000,000	4 3,892,700	4,054,000
Appropriation to Secretary of Treasury for subscription to capital stock-----	10,000,000		
Flood control-----	3,003,697	6,004,460	9,500,000
Foreign Agricultural Relations, Office of-----	519,331	552,666	576,400
Forest pests, control of (including white pine blister rust control)-----	5,348,583	5,259,643	4,970,000
Forest Service:			
National forest protection and management-----	24,460,432	26,760,972	26,300,000
Fighting forest fires-----	5,032,000	3,265,000	100,000
Emergency reconstruction and repair-----	4,000,000	1,747,500	
All other-----	33,408,869	34,510,290	37,419,000
Total, Forest Service-----	66,901,301	66,283,762	63,819,000
Information, Office of-----	1,090,021	1,178,732	1,248,728
Library-----	716,113	716,850	713,293
Penalty Mail-----	3,486,000		
Production and Marketing Administration:			
Conservation and use of agricultural land resources-----	223,064,254	144,980,782	257,043,439
Acreage allotments and marketing quotas-----	5,067,000	14,883,101	30,150,774
Sugar Act-----	55,003,835	72,005,645	60,000,000
Exportation and domestic consumption of agricultural commodities (sec. 32 funds)-----	149,023,930	132,947,728	125,606,982
Less transfer to "National School Lunch Act"-----	-65,000,000	-75,000,000	
Available for sec. 32 purposes-----	84,023,930	57,947,728	125,606,982

See footnotes at end of table.

TABLE 2.—*Summary of appropriations and FHA and REA loan authorizations for the fiscal years 1948, 1949, and 1950—Continued*

Item	Appropriations		
	1948	1949	1950
Production and Marketing Administration—Continued			
National School Lunch Act.....	\$70,000,000	\$75,000,000	\$83,500,000
Marketing services.....	9,570,811	10,290,072	10,468,500
Total, Production and Marketing Administration.....	446,729,830	375,107,328	566,769,695
Research and Marketing Act of 1946.....	9,000,000	13,850,000	19,000,000
Rural Electrification Administration:			
Administrative expenses.....	5,056,056	6,009,790	6,063,000
Loans (borrowing authorization).....	400,000,000	400,000,000	435,000,000
Secretary, Office of the (including immediate Office of the Secretary, and Offices of Budget and Finance, Plant and Operations, Personnel, and Hearing Examiners).....	2,122,822	2,195,863	2,143,300
Soil Conservation Service:			
Soil conservation research.....	1,048,795	1,653,489	1,400,000
Soil conservation operations.....	38,057,000	46,983,137	50,773,800
Total.....	39,105,795	48,636,626	52,173,800
Land utilization program (title III, Farm Tenant Act).....	1,601,128	1,189,989	1,225,000
Payments due counties, submarginal land program.....	215,990	266,168	247,500
Solicitor, Office of.....	2,090,750	2,218,456	2,235,500
Sugar Rationing Administration.....	960,000		
Deduct: Amounts included above under "Soil Conservation Service, soil conservation operations" which were transferred, for increased pay costs resulting from the 1948 Federal Employees Salary Act, from other appropriations previously made to the Department (deducted to avoid duplication in total).....		—2,254,760	
Total, appropriations and FHA and REA loan authorizations.....	1,226,080,604	1,149,208,091	1,314,046,299

<sup>1</sup> The 1949 and 1950 Agricultural Appropriation Acts provide language authorizing the Secretary to transfer from any funds available to the Department amounts necessary to finance the eradication program, subject to later reimbursement when appropriations therefor are made. The Third Deficiency Appropriation Bill, 1949, carries a proposed appropriation of \$34,000,000 to repay funds transferred from the Commodity Credit Corporation for this program in 1949.

<sup>2</sup> For the purchase of an option on suitable land, and preparation of plans and specifications for a laboratory the total cost of which shall not exceed \$25,000,000.

<sup>3</sup> Act provides authorization to borrow from Secretary of Treasury in lieu of direct appropriation.

<sup>4</sup> In addition, \$588,101 available from prior-year balance for liquidation of the 1947 and prior crop-year program.

<sup>5</sup> In addition, the act authorizes additional borrowing for REA loans not in excess of \$150,000,000 upon certification of need by Secretary of Agriculture.

TABLE 3.—*Appropriations and FHA and REA loan authorizations for the fiscal years 1948, 1949, and 1950*

[Note.—Figures in brackets [ ] not included in totals; 1948 and 1949 figures include all supplemental appropriations enacted to October 1, 1949. Where necessary, figures are adjusted for comparability with the appropriation structure in 1950]

Item (Arranged in the order of the annual appropriation act)	Appropriations		
	1948	1949	1950
Office of the Secretary (salaries and expenses).....	\$2,122,822	\$2,195,863	\$2,143,300
Penalty mail (see, 2, Public Law 364, 78th Cong.) <sup>1</sup> .....	3,486,000		
Research and Marketing Act of 1946.....	9,000,000	13,850,000	19,000,000
Office of Solicitor (salaries and expenses).....	2,090,750	2,218,456	2,235,500
Office of Information (salaries and expenses).....	1,090,021	1,178,732	1,248,728
Library (salaries and expenses).....	716,113	716,850	713,293
Bureau of Agricultural Economics:			
Economic investigations.....	2,008,463	2,132,000	2,000,000
Crop and livestock estimates.....	2,474,805	2,649,057	2,646,900
Total.....	4,483,268	4,781,057	4,646,900

See footnotes at end of table.

TABLE 3.—*Appropriations and FHA and REA loan authorizations for the fiscal years 1948, 1949, and 1950—Continued*

[Note.—Figures in brackets [ ] not included in totals; 1948 and 1949 figures include all supplemental appropriations enacted to October 1, 1949. Where necessary, figures are adjusted for comparability with the appropriation structure in 1950]

Item (Arranged in the order of the annual appropriation act)	Appropriations		
	1948	1949	1950
Office of Foreign Agricultural Relations (salaries and expenses)-----	\$519,331 [12,500]	\$552,666 [--]	\$576,400 [--]
International Production Control Committees <sup>2</sup> -----			
Extension Service:			
Payments to States:			
Capper-Ketcham Act-----	1,480,000	1,480,000	1,480,000
Bankhead-Jones Act, title II:			
Sec. 21-----	12,000,000	12,000,000	12,000,000
Sec. 23-----	8,500,000	11,500,000	12,500,000
Additional extension work-----	555,000	555,000	555,000
Alaska-----	23,950	23,950	23,950
Puerto Rico-----	274,000	408,000	408,000
Cooperative agricultural extension work (permanent)-----	4,704,710	4,704,710	4,704,710
Total, payments to States-----	27,537,660	30,671,660	31,671,660
Salaries and expenses:			
Administration and coordination of extension work-----	847,127	893,822	885,500
Total-----	28,384,787	31,565,482	32,557,160
Agricultural Research Administration:			
Office of Administrator (salaries and expenses)-----	486,800	435,528	414,400
Special Research Fund-----	1,203,000	1,280,000	1,236,000
Research on Strategic and Critical Agricultural Materials-----	349,000	361,700	349,000
Research on Agricultural Problems of Alaska-----	100,000	3441,000	675,000
Office of Experiment Stations:			
Payments to States:			
Hatch Act-----	720,000	720,000	720,000
Adams Act-----	720,000	720,000	720,000
Purnell Act-----	2,880,000	2,880,000	2,880,000
Bankhead-Jones Act-----	2,663,708	2,863,708	2,863,708
Hawaii-----	90,000	90,000	90,000
Alaska-----	42,500	42,500	42,500
Puerto Rico-----	90,000	90,000	90,000
Total, payments to States-----	7,206,208	7,406,208	7,406,208
Salaries and expenses:			
Administration of grants and coordination of research with States-----	225,163	239,996	231,850
Federal Experiment Station, Puerto Rico-----	120,849	143,080	146,400
Total, salaries and expenses-----	346,012	383,076	378,250
Total-----	7,552,220	7,789,284	7,784,458
Bureau of Animal Industry:			
Salaries and expenses:			
Animal husbandry-----	1,340,630	1,498,500	5,130,200
Diseases of animals-----	1,063,460	1,131,000	1,073,000
Eradicating tuberculosis and Bang's disease-----	6,755,340	6,255,000	6,229,000
Inspection and quarantine-----	1,230,419	1,314,000	1,154,000
Meat inspection <sup>6</sup> -----	5,000,000	12,579,011	12,577,000
Virus Serum Toxin Act-----	316,144	394,000	394,000
Remount service-----		7425,000	(8)
Total, salaries and expenses-----	15,705,993	23,506,511	22,729,000
Foot-and-mouth disease:			
Construction of research Laboratory-----		8500,000	
Eradication and control program-----	30,500,000	(10)	(10)
Marketing agreements, hog cholera virus and serum <sup>11</sup> -----	[43,000]	[47,038]	[47,500]
Total-----	46,205,993	24,096,511	22,729,000
Bureau of Dairy Industry (salaries and expenses)-----	1,052,852	1,147,099	1,093,200

See footnotes at end of table.

TABLE 3.—*Appropriations and FHA and REA loan authorizations for the fiscal years 1948, 1949, and 1950—Continued*

[Note.—Figures in brackets [ ] not included in totals; 1948 and 1949 figures include all supplemental appropriations enacted to October 1, 1949. Where necessary, figures are adjusted for comparability with the appropriation structure in 1950]

Item (Arranged in the order of the annual appropriation act)	Appropriations		
	1948	1949	1950
Agricultural Research Administration—Continued			
Bureau of Plant Industry, Soils, and Agricultural Engineering (salaries and expenses):			
Field crops.....	\$2,666,455	\$2,864,394	\$2,694,000
Fruit, vegetable, and specialty crops.....	2,597,579	2,751,232	2,464,000
Forest diseases.....	381,964	402,879	401,740
Soils, fertilizers, and irrigation.....	1,589,747	1,861,557	1,966,000
Agricultural engineering.....	647,302	727,514	724,000
National Arboretum.....	436,900	423,900	170,000
Southern Great Plains Field Station.....	45,600		
Total.....	8,365,547	9,031,476	8,419,740
Bureau of Entomology and Plant Quarantine:			
Salaries and expenses:			
Insect investigations.....	<sup>14</sup> 3,191,049	3,271,818	3,502,300
Insect and plant-disease control.....	<sup>15</sup> 2,465,098	<sup>16</sup> 3,245,496	3,564,000
Foreign plant quarantines.....	2,008,512	2,300,055	2,325,000
Total, salaries and expenses.....	7,664,659	8,817,369	9,391,300
Control of emergency outbreaks of insects and plant diseases.....	<sup>17</sup> 2,473,959	<sup>18</sup> 3,000,000	<sup>19</sup> 3,495,000
Total.....	10,138,618	11,817,369	12,886,300
Bureau of Agricultural and Industrial Chemistry:			
Salaries and expenses:			
Agricultural chemical and naval stores investigations.....	667,617	653,380	645,525
Regional research laboratories.....	5,011,877	5,302,075	5,016,000
Total.....	5,679,494	5,955,455	5,661,525
Bureau of Human Nutrition and Home Economics (salaries and expenses).....	828,441	882,117	853,200
Control of Forest Pests:			
Gypsy and brown-tail moths.....	603,864	619,398	575,000
Forest Pest Control Act.....	<sup>20</sup> 991,319	<sup>21</sup> 885,000	<sup>22</sup> 750,000
White pine blister rust.....	3,753,400	3,755,245	3,645,000
Total.....	5,348,583	5,259,643	4,970,000
Forest Service:			
Salaries and expenses:			
General administrative expenses.....	655,000	692,500	655,000
National forest protection and management.....	<sup>23</sup> 24,460,432	26,760,972	26,300,000
Fighting forest fires.....	<sup>24</sup> 5,032,000	<sup>25</sup> 3,265,000	100,000
Forest and range management investigations.....	2,499,000	2,961,800	2,818,500
Forest products.....	1,258,000	1,187,000	1,172,000
Forest resources investigations.....	835,000	882,600	866,000
Total, salaries and expenses.....	34,739,432	35,749,872	31,911,500
Forest development roads and trails.....	11,002,000	<sup>26</sup> 9,894,000	10,348,000
Forest-fire cooperation.....	9,001,000	9,001,000	9,000,000
Farm and other private forestry cooperation.....	814,500	814,500	1,100,000
Acquisition of lands for national forests:			
Weeks Act.....	751,000	501,000	401,000
Superior National Forest.....			75,000
Acquisition of lands from national forest receipts.....	136,686	142,000	142,000
Emergency reconstruction and repair (flood damage).....	<sup>27</sup> 4,000,000	<sup>27</sup> 1,747,500	
Payments to school funds, Arizona and New Mexico, national forest fund (permanent).....	49,219	57,096	61,000
Payments to States and Territories from national forest fund (permanent).....	4,576,760	5,983,424	7,700,000
Roads and trails for States, national forest fund (permanent).....	1,830,704	2,393,370	3,080,500
Total.....	66,901,301	66,283,762	63,819,000
Flood control <sup>28</sup> .....	<sup>28</sup> 3,003,697	6,004,460	9,500,000

See footnotes at end of table.

TABLE 3.—*Appropriations and FHA and REA loan authorizations for the fiscal years 1948, 1949, and 1950—Continued*

[Note.—Figures in brackets [ ] not included in totals; 1948 and 1949 figures include all supplemental appropriations enacted to October 1, 1949. Where necessary, figures are adjusted for comparability with the appropriation structure in 1950]

Item (Arranged in the order of the annual appropriation act)	Appropriations		
	1948	1949	1950
Soil Conservation Service:			
Soil conservation research.....	\$1,048,795	\$1,653,489	\$1,400,000
Soil conservation operations.....	38,057,000	46,983,137	50,773,800
Total.....	39,105,795	48,636,626	52,173,800
Land Utilization and Retirement of Submarginal Land (title III, Farm Tenant Act):			
Payments due counties, submarginal-land program (permanent).....	1,601,128	1,189,989	1,225,000
Production and Marketing Administration:			
Conservation and Use of Agricultural Land Resources <sup>30</sup> .....	223,064,254	144,980,782	<sup>31</sup> 257,043,439
Acreage Allotments and Marketing Quotas.....	5,067,000	<sup>32</sup> 14,883,101	30,150,774
Sugar Act.....	55,003,835	72,005,645	60,000,000
Exportation and Domestic Consumption of Agricultural Commodities (sec. 32 funds).....	<sup>33</sup> 149,023,930	132,947,728	125,606,982
Less transfer to "National School Lunch Act".....	-65,000,000	-75,000,000	
Available for sec. 32 purposes <sup>34</sup> .....	84,023,930	57,947,728	125,606,982
National School Lunch Act.....	<sup>35</sup> 70,000,000	<sup>36</sup> 75,000,000	<sup>37</sup> 83,500,000
Marketing Services:			
Market news service.....	1,572,435	1,817,482	1,900,000
Market inspection of farm products.....	766,206	799,790	758,000
Marketing farm products.....	1,165,640	1,172,960	1,152,500
Tobacco Acts.....	1,553,580	1,625,792	1,602,000
Cotton Statistics, Classing, Standards and Futures Acts.....	1,407,280	1,492,423	1,656,000
Marketing Regulatory Acts.....	<sup>38</sup> 3,105,670	3,381,625	3,400,000
Total.....	9,570,811	10,290,072	10,468,500
Commodity Exchange Authority.....	536,224	573,180	558,200
Farmers' Home Administration:			
Farm tenancy loans.....	15,000,000	15,000,000	<sup>39</sup> 15,000,000
Production and subsistence loans.....	60,000,000	75,000,000	<sup>39</sup> 85,000,000
Water facilities loans.....	1,510,000	1,510,000	<sup>30</sup> 3,000,000
Farm tenant mortgage-insurance fund.....	1,000,000		
Salaries and expenses.....	21,242,209	23,672,160	23,649,000
Loans to farmers, 1948 flood damage.....	<sup>7</sup> 6,000,000	(40)	(40)
Total.....	104,752,209	115,182,160	126,649,000
Rural Electrification Administration:			
Administrative expenses.....	5,056,056	<sup>41</sup> 6,009,790	6,063,000
Loans (borrowing authorization).....	<sup>42</sup> 400,000,000	400,000,000	<sup>43</sup> 350,000,000
Total.....	405,056,056	406,009,790	356,063,000
Farm Credit Administration:			
Direct appropriation.....	561,000	500,000	500,000
Assessments against member institutions of the Farm Credit system.....	2,453,734	2,260,400	2,294,000
Federal Crop Insurance Corporation:			
Salaries and expenses.....	5,000,000	<sup>44</sup> 3,892,700	4,054,000
Appropriation to Secretary of Treasury for subscription to capital stock.....	10,000,000		
Sugar Rationing Administration:			
Deduct: Amounts included above under "Soil Conservation Service, soil conservation operations" which were transferred, for increased-pay costs resulting from the 1948 Federal Employees Salary Act, from other appropriations previously made to the Department (deducted to avoid duplication in total).....	<sup>45</sup> 960,000		
Total, direct appropriations and borrowing authorizations.....		-2,254,760	
	1,226,080,604	1,149,208,091	1,314,046,299

See footnotes at end of table.

TABLE 3.—*Appropriations and FHA and REA loan authorizations for the fiscal years 1948, 1949, and 1950—Continued*

[Note.—Figures in brackets [] not included in totals; 1948 and 1949 figures include all supplemental appropriations enacted to October 1, 1949. Where necessary, figures are adjusted for comparability with the appropriation structure in 1950]

Item (Arranged in the order of the annual appropriation act)	Appropriations		
	1948	1949	1950
Deduct:			
Borrowing authorizations:			
Rural Electrification Administration-----	\$400,000,000	\$400,000,000	<sup>12</sup> \$350,000,000
Farmers' Home Administration:			
Farm tenancy loans-----	15,000,000	15,000,000	15,000,000
Production and subsistence loans-----	60,000,000	75,000,000	85,000,000
Water facilities loans-----	1,510,000	1,510,000	3,000,000
Total, borrowing authorizations-----	476,510,000	491,510,000	<sup>12</sup> 453,000,000
Total, direct appropriations-----	749,570,604	657,698,091	861,046,299
Deduct:			
Permanent appropriations:			
Cooperative agricultural extension service-----	4,704,710	4,704,710	4,704,710
Payments to schoolfunds, Arizona and New Mexico, national forest fund-----	49,219	57,096	61,000
Payments to States and Territories from national forest fund-----	4,576,760	5,983,424	7,700,000
Roads and trails for States, national forest fund-----	1,830,704	2,393,370	3,080,500
Payments due counties, submarginal land program-----	215,990	266,168	247,500
Exportation and domestic consumption of agricultural commodities (sec. 32 funds)-----	149,023,930	132,947,728	125,606,982
Total, permanent appropriations-----	160,401,313	146,352,496	141,400,692
Total, annual appropriations-----	589,169,291	511,345,595	719,645,607
Trust Funds:			
Bureau of Animal Industry:			
Expenses and refunds, inspection and certification of canned wet animal foods-----	68,907	61,516	71,000
Forest Service:			
Cooperative work-----	5,386,351	5,300,000	5,300,000
Soil Conservation Service:			
Payments in lieu of taxes and operation and maintenance costs, water conservation and utilization projects-----	107,645	71,000	46,000
Operation and maintenance, water distribution systems, water conservation and utilization projects-----	10,533	9,600	9,600
Production and Marketing Administration:			
Inspection and grading of farm products offered for interstate shipment or received at central markets-----	5,128,829	4,800,000	4,600,000
Grading of wool and classification of cotton incident to loan and purchase programs-----	816,200	957,500	1,174,000
Indemnity fund, county associations-----	62,573	188,500	500
Moisture content and grade determinations incident to storage of agricultural products offered as collateral on commodity loans-----	966,294	4,625,000	4,625,000
Farmers' Home Administration:			
Liquidation of deposits, lease and purchase contracts-----	39,731	20,000	5,000
State rural rehabilitation corporation funds-----	14,288,758	8,500,000	5,000,000
Miscellaneous funds advanced to the Department under cooperative agreements-----	285,687	289,075	243,600
Return of excess deposits for reproduction of photographs, mosaics, and maps-----	1,119	900	1,000
Other-----	2,924	1,200	1,200
Total, trust funds-----	27,165,551	24,824,291	21,076,900

<sup>1</sup> Section 307, title III of the Second Deficiency Appropriation Act, 1948, repealed sec. 2 (d) of the Penalty Mail Act requiring payments into the general fund of Treasury for penalty mail costs.

<sup>2</sup> Transferred from the appropriation made by sec. 12 (a) of the Agricultural Adjustment Act, approved May 12, 1933, and from "Administration of Sugar Act". Funds now appropriated to Department of State.

<sup>3</sup> Includes \$300,000 appropriated in Second Deficiency Appropriation Act, 1949.

<sup>4</sup> Includes \$17,900 appropriated in the Supplemental Appropriation Act, 1948.

<sup>8</sup> Act provides that not to exceed \$50,000 shall be available under the subappropriation "Animal Husbandry" for liquidation of Agriculture Remount Service on or before Dec. 31, 1949.

<sup>9</sup> The Agricultural Appropriation Act, 1948, provided \$5,000,000 as a working capital fund to be reimbursed from fees charged packers for total cost of meat inspection services effective July 1, 1947. The 1949 and 1950 acts provide direct appropriations for meat inspection services.

<sup>10</sup> Appropriated in Second Deficiency Appropriation Act, 1948.

<sup>11</sup> For the purchase of an option on suitable land, and preparation of plans and specifications for a laboratory to cost not to exceed \$25,000,000.

<sup>12</sup> Includes \$25,400,000 appropriated in Second Deficiency Appropriation Act, 1948, to repay funds transferred in 1948 from the Commodity Credit Corporation pursuant to the Supplemental Appropriation Act, 1948. In addition, prior year balance of \$347,549 available.

<sup>13</sup> The 1949 and 1950 Agricultural Appropriation Acts provide language authorizing the Secretary to transfer from any funds available to the Department amounts necessary to finance the eradication program, subject to later reimbursement when appropriations therefor are made. The Third Deficiency Appropriation Bill, 1949, carries a proposed appropriation of \$34,000,000 to repay funds transferred from the Commodity Credit Corporation for this program in 1949.

<sup>14</sup> Transferred from the appropriation made by sec. 12 (a) of the Agricultural Adjustment Act, approved May 12, 1933.

<sup>15</sup> Includes \$100,000 appropriated in Second Deficiency Appropriation Act, 1949.

<sup>16</sup> In addition, the 1950 Agricultural Appropriation Act provides \$100,000 contract authority for use in connection with establishment of the irrigation experiment station at Brawley, Calif.

<sup>17</sup> Includes \$5,000 appropriated in Second Supplemental Appropriation Act, 1948, and \$115,090 appropriated in Urgent Deficiency Appropriation Act, 1948.

<sup>18</sup> Includes \$174,200 appropriated in Urgent Deficiency Appropriation Act, 1948.

<sup>19</sup> Includes \$492,000 appropriated in Second Deficiency Appropriation Act, 1948.

<sup>20</sup> Includes \$420,000 appropriated in Urgent Deficiency Appropriation Act, 1948.

<sup>21</sup> Includes \$1,250,000 appropriated in First Deficiency Appropriation Act, 1949.

<sup>22</sup> Act provides for transfer of \$250,000 to "Forest Pest Control Act."

<sup>23</sup> Includes \$843,000 appropriated in Urgent Deficiency Appropriation Act, 1948.

<sup>24</sup> Includes \$750,000 appropriated in Second Deficiency Appropriation Act, 1949, to remain available until Sept. 30, 1949.

<sup>25</sup> In addition, \$250,000 available by transfer from "Control of emergency outbreaks of insects and plant diseases."

<sup>26</sup> Includes \$475,000 appropriated in Urgent Deficiency Appropriation Act, 1948.

<sup>27</sup> Includes \$4,932,000 appropriated in Urgent Deficiency Appropriation Act, 1948.

<sup>28</sup> Includes \$3,165,000 appropriated in Second Deficiency Appropriation Act, 1949.

<sup>29</sup> Includes \$142,000 appropriated in Second Deficiency Appropriation Act, 1949.

<sup>30</sup> Appropriated in Second Deficiency Appropriation Act, 1949, to remain available until June 30, 1950.

<sup>31</sup> In addition, prior-year balances available.

<sup>32</sup> Includes \$2,000,000 appropriated in Second Supplemental Appropriation Act, 1948.

<sup>33</sup> In addition, funds available from advance conservation material fund: 1948, \$42,702,000; 1949, \$5,148,601.

<sup>34</sup> Act authorizes the formulation and development of a 1950 crop-year program in the amount of \$300,000,000, of which not to exceed \$15,000,000 may be used for acreage allotments and marketing quotas.

<sup>35</sup> Includes \$9,734,500 appropriated in First Deficiency Appropriation Act, 1949.

<sup>36</sup> Includes \$49,023,930 originally rescinded by the Department of Agriculture Appropriation Act, 1948, but restored by the Foreign Assistance Act of 1948.

<sup>37</sup> Includes the following limitation on amount available to be used to pay any subsidy, benefit, or indemnity to manufacturers of or dealers in insulation products: 1949, \$500,000; 1950, \$150,000.

<sup>38</sup> Includes \$65,000,000 transferred from sec. 32 funds, and \$5,000,000 appropriated in Urgent Deficiency Appropriation Act, 1948.

<sup>39</sup> Transfer from sec. 32 funds.

<sup>40</sup> Act provides for a direct appropriation in lieu of transfer from sec. 32 funds.

<sup>41</sup> Includes \$75,000 appropriated in the Supplemental Appropriation Act, 1948.

<sup>42</sup> Act provides authorization to borrow from Secretary of Treasury in lieu of direct appropriation.

<sup>43</sup> First Deficiency Appropriation Act, 1949, extends until June 30, 1950, availability of funds appropriated by the Second Deficiency Appropriation Act, 1948, and also makes these funds available for assistance in connection with damage by floods, storms, or other natural calamity during the calendar years 1948 and 1949.

<sup>44</sup> Includes \$225,000 appropriated in Second Deficiency Appropriation Act, 1948.

<sup>45</sup> Includes \$175,000,000 provided in the First Deficiency Appropriation Act, 1948.

<sup>46</sup> In addition, the Agricultural Appropriation Act, 1950, authorizes additional borrowing for REA loans not in excess of \$150,000,000 upon certification of need by Secretary of Agriculture.

<sup>47</sup> In addition, \$588,101 available from prior-year balance for liquidation of the 1947 and prior crop-year programs.

<sup>48</sup> Includes \$750,000 appropriated in Emergency Appropriation Act, 1948, and \$210,000 appropriated in the Supplemental Appropriation Act, 1948.

## DIRECTOR OF FINANCE

TABLE 4.—Appropriations, reappropriations, and *FHA* and *REA* loan authorizations, in millions of dollars, fiscal years 1941 to 1950

[Figures in brackets [ ] not included in totals. Includes all supplemental and deficiency appropriations enacted to October 1, 1949. Where necessary, figures for years 1941 to 1949 are adjusted for comparability with the appropriation structure in 1950]

Item	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950
Agricultural Research Administration (excluding control and eradication of foot-and-mouth and other contagious diseases of animals, and payments to States for agricultural experiment stations)	39.4	34.7	38.4	36.1	41.7	42.3	48.9	44.3	55.9	54.7
Control and eradication of foot-and-mouth and other contagious diseases of animals	1.3	1.3	0.3	0.3	0.3	0.3	10.8	130.5	(2) <sup>1</sup>	(2) <sup>1</sup>
Agricultural Economics, Bureau of	4.5	4.2	3.7	4.0	4.2	4.3	4.9	4.5	4.8	4.6
Commodity Exchange Authority	0.6	0.6	0.5	0.3	0.3	0.3	0.5	0.5	0.6	0.6
Emergency rubber project	12.4	19.0	13.0	15.4	14.1	—	—	—	—	—
Farm Credit Administration:										
Salaries and expenses:										
Direct appropriation	2.9	3.0	2.3	0.7	0.6	0.6	0.6	0.6	0.5	0.5
Assessments against member institutions of the farm credit system	1.5	1.2	2.0	2.9	2.7	2.3	2.6	2.5	2.3	2.3
Payments to Federal Farm Mortgage Corporation and Federal land banks, reduction in interest rate on mortgages	38.2	36.4	33.8	29.2	—	—	—	—	—	—
Farmers Home Administration:										
Loans:										
Mortgage-insurance fund										
Loans to farmers, flood damage										
Migratory-labor camps										
Grants										
Salaries and expenses										
Federal Crop Insurance Corporation:										
Salaries and expenses										
Subscriptions to capital stock										
Flood control	20.0	9.2	1.0	—	30.0	—	20.0	10.0	—	—
Forest pests, control of (including white pine blister rust control)	1.5	1.8	2.5	2.6	—	2.8	3.8	2.1	3.0	6.0
Forest Service (excluding land acquisition, forest development roads and trails, forest-fire cooperation, and emergency construction and repair)	20.9	25.9	21.5	26.4	29.7	33.4	40.2	42.0	45.0	43.8
Acquisition of lands for national forests	1.0	2.0	0.3	0.1	—	—	2.7	0.9	0.6	0.6
Emergency reconstruction and repair, flood damage	—	—	—	—	—	—	—	4.0	1.7	1.7
Forest development roads and trails	2.7	3.0	3.8	4.3	4.2	6.9	12.5	11.0	10.3	10.3
Forest-fire cooperation	2.2	2.4	4.0	6.3	7.3	8.3	9.0	9.0	9.0	9.0

See footnotes at end of table.

TABLE 4.—*Appropriations, reappropriations, and FHA and REA loan authorizations, in millions of dollars, fiscal years 1941 to 1950—Con.*

Item	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950
Payments to States for:										
Agricultural experiment stations, Hatch, Adams, Purnell, Bankhead-Jones, and related acts	6.9	6.9	6.9	7.0	7.0	7.2	7.2	7.4	7.4	7.4
Agricultural experiment stations, sec. 9 (a), Research and Marketing Act of 1946	18.5	18.9	18.9	18.9	18.9	23.4	27.4	27.5	3.3	5.0
Agricultural extension work:										
Product and Marketing Administration:										
Conservation and use of agricultural land resources:										
Direct appropriation (excluding special flax and seed programs)	434.5	494.8	444.6	400.1	290.1	300.5	257.5	19 223.1	19 145.0	11 257.0
Special flax program										
Special seed program										
Reappropriation from "Parity payments" and other balances	27.0									
Transfer from sec. 32 funds										
Total, conservation and use	461.5	494.8	444.6	400.1	302.6	355.8	312.5	19 223.1	19 145.0	11 257.0
Average allotments and marketing quotas										
Parity payments										
Sugar Act										
Exportation and domestic consumption of agricultural commodities, sec. 32 funds (permanent, annual, and reappropriations)	235.5	222.5	175.3	97.0	119.3	114.3	115.3	13 84.0	57.9	125.6
National School Lunch Act:										
Expenditure from sec. 32 funds										
Direct appropriation										
Marketing services (excluding title II, Research and Marketing Act of 1946) —										
Commodity Credit Corporation:										
Restoration of capital impairment <sup>15</sup>	5.7	5.9	6.4	6.7	7.0	7.1	7.1	6.0	75.0	83.5
Emergency supplies for territories and possessions (revolving fund)										
War Food Administration, salaries and expenses										
Research and Marketing Act of 1946 (exclusive of payments to agricultural experiment stations):										
Utilization research on development of present, new, and extended uses of agricultural commodities [See, 10 (a)]										
Research other than utilization, in cooperation with State experiment stations and other agencies [See, 10 (b)]										
Research and service work on the distribution and marketing of agricultural products (title II)										
Total, Research and Marketing Act of 1946 (exclusive of payments to States for agricultural experiment stations, shown above)										
Rural Electrification Administration:										
Loans										
Salaries and expenses	100.0	100.0	10.0	20.0	25.0	300.0	250.0	400.0	350.0	6.0
	3.1	3.7	3.0	2.6	3.3	4.7	5.6	5.1	6.0	6.1

## DIRECTOR OF FINANCE

Soil Conservation Service									
Land utilization program	\$25,400,000	appropriated in Second Deficiency Appropriation Act, 1948, <sup>1</sup> to repay funds transferred in 1948 from the Commodity Credit Corporation pursuant to the Supplementary Appropriation Act, 1948, and \$5,000,000 earned in Emergency Appropriation Act, 1948. <sup>2</sup> In addition, prior-year balance of \$347,519 available.							
Tussock moth control									
Other items									
Deduct amounts included in above figures transferred for Pay Act costs									
Total	1,543.4	1,603.5	1,123.9	1,185.3	1,169.1	1,251.1	1,276.6	1,226.1	1,149.2
									1,314.0

<sup>1</sup> Includes \$25,400,000 appropriated in Second Deficiency Appropriation Act, 1948, to repay funds transferred in 1948 from the Commodity Credit Corporation pursuant to the Supplementary Appropriation Act, 1948, and \$5,000,000 earned in Emergency Appropriation Act, 1948. In addition, prior-year balance of \$347,519 available.

<sup>2</sup> The 1949 and 1950 Agricultural Appropriation Acts provide language authorizing the Secretary to transfer from any funds available to the Department amounts necessary to finance the eradication program, subject to later reimbursement when appropriations therefor are made. The Third Deficiency Appropriation Bill, 1949, carries a proposed appropriation of \$34,000,000 to repay funds transferred from the Commodity Credit Corporation for this program in 1949.

<sup>3</sup> In 1945, \$5,400,000 available, composed of \$3,000,000 reappropriation which is available until expended; in 1946, \$4,100,000, composed of \$5,800,000 in funds available (\$4,300,000 reappropriation plus \$1,500,000 prior year balances) less \$1,700,000 received by the act of Feb. 18, 1946, Public Law 301.

<sup>4</sup> Appropriations to Secretary of Treasury.

<sup>5</sup> Act provides authorization to borrow from Secretary of Treasury in lieu of direct appropriation.

<sup>6</sup> The First Deficiency Appropriation Act, 1949, extends until June 30, 1950, availability of funds appropriated by the Second Deficiency Appropriation Act, 1948, and also makes these funds available for assistance in connection with damage by floods, storms, or other natural calamity, during the calendar years 1948 and 1949.

<sup>7</sup> In addition, \$588,101 available from prior-year balance for liquidation of the 1947 and prior crop year programs.

<sup>8</sup> Represents appropriations to enable the Secretary of the Treasury to subscribe to capital stock of the Federal Crop Insurance Corporation.

<sup>9</sup> Appropriated to War Department specifically for transfer to Department of Agriculture.

<sup>10</sup> In addition, funds available from advance conservation material fund: 1948, \$42,702,000; 1949, \$5,148,601.

<sup>11</sup> The 1950 Act authorizes the formulation of a 1950 crop year program in the amount of \$300,000,000, of which not to exceed \$15,000,000 may be used for acreage allotments and marketing quotas.

<sup>12</sup> Acreage allotments and marketing quotas were handled as a part of the agricultural conservation program in fiscal years 1941 through 1946, and administrative expenses for this program were not maintained separately from administrative expenses of the agricultural

tural conservation program. Accordingly, amounts for acreage allotments and marketing quotas, fiscal years 1941 through 1946, are included in the totals shown above for those years for "Conservation and use of agricultural land resources."

<sup>13</sup> Includes \$40,029,630 originally rescinded by the Department of Agriculture Appropriation Act, 1948, but restored by the Foreign Assistance Act of 1948.

<sup>14</sup> The school-lunch program was carried on as a sec. 32 activity 1940 through 1946; in 1947, 1948, and 1949 the program was conducted under the provisions of the National School Lunch Act, approved June 4, 1946, the Congress authorizing the use of sec. 32 provided in lieu of direct appropriations for that purpose; in 1950 a direct appropriation is provided in lieu of transfer from sec. 32 funds.

<sup>15</sup> Represents appropriations in 1942 and 1945 to the Secretary of the Treasury for restoration of the capital impairment of the Commodity Credit Corporation. In lieu of an appropriation for restoration of capital impairment, the Government Corporations Appropriations Act, 1947, provided for cancellation of Commodity Credit Corporation notes held by the Secretary of the Treasury in the amount of \$921,500,000; the Second Deficiency Appropriation Act, 1947, provided for the cancellation of an additional \$641,800,000.

<sup>16</sup> Of this original fund, \$31,134,796 has been returned to the surplus fund of the Treasury; the balance of \$3,865,204 represents expenses incurred in carrying out the program; 17 1943 amount appropriated to Office for Agricultural War Relations, which was later merged with War Food Administration; 1945 amount excludes \$2,000,000 rescinded by the act of July 3, 1945, Public Law 127; 1946 amount excludes \$3,100,000 rescinded by the act of Feb. 18, 1946, Public Law 301.

<sup>17</sup> In addition, the act authorizes additional borrowing for Rural Electrification Administration loans not in excess of \$150,000,000 upon certification of need by Secretary of Treasury.

<sup>18</sup> Program has been liquidated in accordance with the act of April 28, 1947 (Public Law 40). Funds for liquidating the administrative phase of the program, which were limited to \$258,500 by the Second Deficiency Appropriation Act, 1947, continued available until June 30, 1948. The remaining unobligated balances of appropriated funds together with \$560,000 of the receipts derived from the sale of labor camps and facilities are available until expended for purposes of disposing of such facilities in accordance with the act of July 31, 1947 (Public Law 298).

<sup>19</sup> Transferred from appropriations previously made to the Department and shown as deductions to avoid duplications in the totals for these years.

TABLE 5.—*Estimated obligations for research under appropriations to the Department of Agriculture, fiscal years 1941-50<sup>1</sup>*

[Amounts in thousands of dollars]

Item	1941	1942	1943	1944	1945	1946	1947	1948	1949 <sup>2</sup>	1950 <sup>2</sup>
Administrative and over-all direction of research activities, and supervision of maintenance and operation of Agricultural Research Center (Office of Administrator, A.R.A.) <sup>3</sup>	135	163	265	291	310	324	504	485	436	414
Special research laboratories in major agricultural regions and special research projects in the basic laws and principles relating to agriculture (special research fund)	1,359	1,183	1,084	1,154	1,290	1,194	1,290	1,196	1,280	1,236
Research to develop basic information for establishment and maintenance of a permanent, efficient, and more nearly self-sustaining agricultural industry in Alaska (research on agricultural problems of Alaska)									97	441
Administration of grants to States and coordination of research work by State and Territorial agricultural experiment stations, and operation of experiment station in Puerto Rico (Office of Experiment Stations)	244	247	259	282	279	306	388	4391	4,480	4,528
Breeding, feeding, and management investigations to develop improved livestock and livestock products, and research to develop methods to control and eradicate animal diseases and parasites (Bureau of Animal Industry)	1,504	1,576	1,586	1,765	1,828	1,862	2,237	2,519	3,427	2,759
Breeding, feeding, and management investigations to increase the milk and butter-fat-producing efficiency of dairy cows, and investigations to improve methods and increase efficiency in the manufacture of milk products (Bureau of Dairy Industry)	695	706	725	798	817	847	1,101	1,026	1,120	1,068
Investigations of plant production and improvement, soils management, fertilizers, cropping methods, and engineering problems concerned with production, transportation, harvesting, and storing of crops, and design and construction of farm buildings (Bureau of Plant Industry, Soils, and Agricultural Engineering)	5,720	5,679	5,855	6,110	5,863	5,916	7,541	8,030	8,784	8,473
Investigations of insects and methods of eradication and control of harmful ones and increase and spread of beneficial ones, including development and control of insecticides and fungicides (Bureau of Entomology and Plant Quarantine)	2,183	2,190	2,186	2,224	2,303	2,394	2,927	2,956	3,272	3,502
Investigations in the fields of chemistry, physics, and other physical sciences relating to agricultural products and to the development of new and wider industrial and food uses for agricultural products (Bureau of Agricultural and Industrial Chemistry)	2,851	3,394	3,734	3,865	4,079	4,317	4,807	4,842	5,302	5,016
Regional research laboratories	490	533	800	772	547	562	642	782	839	771
All other										
Investigations in human nutrition and the relative utility and economy of agricultural products for food, clothing, and other uses in the home, and of economic problems affecting rural family living (Bureau of Human Nutrition and Home Economics)	360	447	474	566	703	910	1,038	818	882	853
Total, Agricultural Research Administration (exclusive of "Payments to States and Territories," shown below)	15,641	16,118	16,968	17,827	17,929	18,632	22,475	23,142	26,263	25,295
Utilization research on development of present, new, and extended uses of agricultural commodities (sec. 10 (e))										
Research other than utilization, in cooperation with State experiment stations and other agencies (sec. 10 (h))								2,941	3,900	5,000
								1,452	1,950	3,000

the Administrator, Agricultural Research Administration, established by Executive Order 9069, Feb. 23, 1942.  
Includes funds for administration of payments to States under sec. 9, Research and Extension Act of 1936, and for administration of programs under the Soil Conservation Service.

Marketing Act, as follows: 1948, \$50,000; 1949, \$97,500; and 1950, \$150,000.

TABLE 6.—*Expenditures from appropriations, FHA and REA loan authorizations, and other related funds, fiscal years 1948 and 1949*<sup>1</sup>

Item	1948	1949
Agricultural Research Administration:		
Administrator, Office of (including Agricultural Research Center) . . . . .	\$488,895	\$372,361
Agricultural and Industrial Chemistry, Bureau of . . . . .	5,473,751	5,909,221
Animal Industry, Bureau of (excluding meat inspection, and control and eradication of foot-and-mouth and other contagious diseases of animals) . . . . .	10,251,830	10,323,252
Meat inspection . . . . .	2 1,319,449	10,251,051
Control and eradication of foot-and-mouth and other contagious diseases of animals . . . . .	29,382,112	3 5,493,151
Dairy Industry, Bureau of . . . . .	1,047,876	1,131,416
Entomology and Plant Quarantine, Bureau of . . . . .	9,755,642	11,212,306
Experiment Stations, Office of (principally payments to States) . . . . .	7,525,160	7,717,137
Human Nutrition and Home Economics, Bureau of . . . . .	833,395	857,358
Plant Industry, Soils, and Agricultural Engineering, Bureau of . . . . .	8,015,042	8,851,210
Research on agricultural problems of Alaska . . . . .	103,260	224,231
Research on strategic and critical agricultural materials . . . . .	225,611	386,343
Special Research Fund . . . . .	1,219,317	1,266,894
Agricultural Economics, Bureau of . . . . .	4,153,074	4,661,335
Commodity Exchange Authority . . . . .	546,541	564,461
Extension Service (principally payments to States) . . . . .	27,167,696	31,039,892
Farm Credit Administration . . . . .	2,978,034	3,081,541
Farmers Home Administration		
Disaster Loans, revolving fund . . . . .	106,895,748	121,667,019
Federal Crop Insurance Corporation . . . . .	4,453,124	873,185
Flood control . . . . .	3,801,434	3,975,878
Foreign Agricultural Relations, Office of . . . . .	519,901	5,889,622
Forest pests, control of . . . . .	4,887,427	540,995
Forest Service (excluding forest development roads and trails) . . . . .	54,206,406	4,302,828
Forest development roads and trails . . . . .	10,578,410	58,814,408
Information, Office of . . . . .	1,103,375	10,153,683
Library . . . . .	714,408	1,190,335
Production and Marketing Administration:		
Conservation and use of agricultural land resources . . . . .	211,921,154	708,622
Administrative expenses, see. 392, Agricultural Adjustment Act of 1938 . . . . .	7,306,721	148,472,398
Local administration, sec. 388, Agricultural Adjustment Act of 1938 . . . . .	19,393,670	8,578,375
Sugar Act . . . . .	60,295,805	30,225,204
Exportation and domestic consumption of agricultural commodities (sec. 32 funds) . . . . .	50,823,563	55,951,626
National School Lunch Act . . . . .	68,331,987	75,396,549
Marketing services . . . . .	9,301,684	74,920,219
Research and Marketing Act of 1946 . . . . .	5,855,748	9,948,936
Rural Electrification Administration . . . . .	251,053,175	13,355,860
Secretary, Office of the (including immediate Office of the Secretary, and Offices of Budget and Finance, Plant and Operations, Personnel, and Hearings Examiners) . . . . .	2,065,157	327,159,198
Soil Conservation Service . . . . .	40,836,403	2,164,426
Land utilization program (title III, Farm Tenant Act) . . . . .	1,363,578	47,655,171
Payments due counties, submarginal land program . . . . .	403,641	1,408,763
Water conservation and utilization program . . . . .	401,794	265,922
Solicitor, Office of the . . . . .	2,036,539	250,890
Supply and distribution of farm labor . . . . .	10,146,693	2,201,612
Other items . . . . .	2,178,176	4 83,844
Total, above items . . . . .	1,041,362,406	1,00,346,367

See footnotes at end of table.

TABLE 6.—*Expenditures from appropriations, FHA and REA loan authorizations, and other related funds, fiscal years 1948 and 1949*<sup>1</sup>—Continued

Item	1948	1949
Farm Credit Administration revolving funds for subscriptions to capital of:		
Federal Farm Mortgage Corporation.....	<sup>5</sup> -\$990,000	
Federal intermediate credit banks.....	500,000	
Production credit corporations.....	<sup>5</sup> -11,015,000	-\$35,400,000
Agricultural Marketing Act revolving fund (FCA).....	<sup>6</sup> 451,041	<sup>6</sup> -397,937
Federal Crop Insurance Corporation, subscriptions to capital stock.....	10,000,000	
Miscellaneous expenditures incident to liquidation of certain prior years' activities.....	2,842,828	11,558
Penalty mail.....	3,397,961	716,200
Grand total.....	1,046,549,236	1,065,276,188

<sup>1</sup> Reflects expenditures on checks-issued basis, with deductions made for credits arising from repayments and refunds to the various funds. Amounts cover all payments made during each of the years indicated, including some payments of obligations incurred in prior years, from (1) general and special account appropriations to the Department of Agriculture; (2) appropriations made to the Secretary of the Treasury for purchase of capital stock of the Federal Crop Insurance Corporation; and (3) amounts advanced to the Department under borrowing authorizations for Farmers Home Administration and Rural Electrification Administration loans. Also reflects activity in (1) the various revolving funds of the Farm Credit Administration and (2) the Disaster loan revolving fund established pursuant to Public Law 38, 81st Congress. Excludes expenditures made by the corporations of the Department in carrying out their respective operations (financial statements for these corporations are included in Tables 11, 12, and 13). The amounts shown have been adjusted where necessary for comparability with the appropriation structure of the Department as shown in the 1950 Budget.

<sup>2</sup> The Agricultural Appropriation Act, 1948, provided \$5,000,000 as a working capital fund to be reimbursed from fees charged packers for the total cost of meat-inspection services effective July 1, 1947. Expenditures for the fiscal year 1948, therefore, are reflected on the basis of deducting fees collected from packers from the total amount expended in performing inspection services. The amount shown for 1948 includes (in addition to adjustments in expenditures made in prior years) expenditures for which reimbursement had not been received as of June 30, 1948. The Department of Agriculture Appropriation Act for 1949 appropriated \$11,500,000 of Federal funds for financing meat inspection work and directed the return of the meat inspection fund to the Treasury. The amount shown for 1949, therefore, reflects expenditures made for meat inspection services financed by the Federal Government and also includes, as credits, collections from packers in 1949 of reimbursements outstanding under the meat inspection fund.

<sup>3</sup> This program financed by advances from the Commodity Credit Corporation in accordance with the authority contained in the Department of Agriculture Appropriation Act, 1949. These advances are recorded as minus expenditures in this account and the negative balance indicates an excess of advances made over funds expended for the program. An appropriation of \$34,000,000 was made in the fiscal year 1950 for repayment to CCC of funds advanced in the fiscal year 1949.

<sup>4</sup> This program was liquidated in the fiscal year 1948 in accordance with the Act of April 28, 1947 (Public Law 40, 80th Cong.). The remaining unobligated balances are available until expended for disposing of labor camps and facilities in accordance with the Act of July 31, 1947 (Public Law 298).

<sup>5</sup> Minus figures reflect repayments of Government-subscribed capital stock.

<sup>6</sup> Amount shown for 1948 resulted from gross expenditures of \$1,407,430 and collections of \$956,389. In 1949, gross expenditures were \$1,013,172 and collections were \$1,411,107.

TABLE 7.—*Receipts to U. S. Treasury arising from Department of Agriculture activities, fiscal years 1948 and 1949*

Classification and source	Fiscal year 1948			Fiscal year 1949		
	General fund <sup>1</sup>	Special fund <sup>2</sup>	Total	General fund <sup>1</sup>	Special fund <sup>2</sup>	Total
Collections on loans and recoveries of other assets:						
Collections of principal and interest on:						
Farmers Home Administration loans-----	\$149,154,475	-----	\$149,154,475	\$118,421,413	-----	\$118,421,413
Rural electrification loans-----	31,203,714	-----	31,203,714	35,490,421	-----	35,490,421
Sale of lands and buildings, including proceeds from sale of assets of labor supply centers-----	820,903	-----	820,903	581,266	-----	581,266
Proceeds from assets liquidated pursuant to Farmers Home Administration Act of 1946-----	277,579	-----	277,579	315,131	-----	315,131
Total-----	181,456,671	-----	181,456,671	154,808,231	-----	154,808,231
Receipts from rentals and operations, and miscellaneous reimbursements and collections:						
Business on the national forests—primarily timber sales and grazing fees.	15,684,242	\$8,552,189	24,236,431	20,132,450	\$10,943,642	31,076,092
Receipts from Tongass National Forest held pending determination of land ownership-----	672,426	130,594	130,594	753,644	133,025	133,025
Use of lands held under title III of the Bankhead-Jones Farm Tenant Act-----	672,426	224,142	806,568	-----	251,215	1,004,859
Fees and reimbursements for inspection and grading of farm products; rental of Government-owned food processing plants, farm labor, supply centers, and other facilities-----	2,291,429	-----	2,291,429	2,128,155	-----	2,128,155
Sales of agricultural products not required in connection with the work of the Department; and reimbursements for professional and scientific services rendered-----	990,341	-----	990,341	1,483,217	-----	1,483,217
Fines and penalties under commodity marketing quotas and other violations-----	847,738	-----	847,738	2,686,345	-----	2,686,345
Miscellaneous services, gifts, forfeitures, sales, and reimbursements-----	1,770,446	-----	1,770,446	1,192,160	-----	1,192,160
Assessments for examinations and supervisory services rendered agencies of the farm credit system-----	-----	-----	2,496,133	-----	3,102,068	3,102,068
Proceeds from sale of motor vehicles and other equipment for use in purchasing similar equipment-----	1,907,549	-----	1,907,549	-----	1,486,127	1,486,127
Total-----	26,256,622	13,310,607	39,567,229	28,375,971	15,976,077	44,332,048
Other receipts:						
Payment of CCC earned surplus to Treasury-----	17,603,492	-----	17,603,492	4,943,010	-----	48,943,010
Interest paid to Treasury on CCC borrowings-----	413,161	-----	413,161	6,762,394	-----	6,762,394
Interest paid to Treasury on CCC capital stock-----	-----	-----	-----	1,875,000	-----	1,875,000
Interest paid to Treasury on bonds, Federal Farm Mortgage Corporation-----	55,355	-----	55,355	1	1	1
Dividends paid to Treasury, Federal Farm Mortgage Corporation-----	-----	-----	-----	68,000,000	-----	68,000,000
Federal Intermediate Credit Bank franchise tax paid to Treasury-----	222,120	-----	222,120	178,181	-----	178,181
Return of RACC paid-in surplus to Treasury-----	12,500,000	-----	12,500,000	200,241	-----	200,241
Total-----	30,884,128	-----	30,884,128	126,018,827	-----	126,018,827
Grand total-----	298,597,421	13,310,607	351,908,028	309,203,029	15,976,077	325,179,106

NOTE.—For trust fund receipts see table 9.

<sup>1</sup> Revenue and nonrevenue receipts deposited in the Treasury, and available for general fund purposes.<sup>2</sup> Revenue and nonrevenue receipts deposited in the Treasury for subsequent distribution, or for use for specific purposes, pursuant to legislative authorization.<sup>3</sup> Includes collections totalling \$44,544,020 applied for payment-in-full of notes transferred from RFC to Treasury by the Agricultural Appropriation Act, 1948.<sup>4</sup> Represents the portion of the total receipts from national forests available for (a) payments to States for benefit of roads and schools, (b) construction and maintenance of roads and trails in States from which proceeds are derived, and (c) appropriations from forest receipts for acquisition of lands.<sup>5</sup> If for payment to counties in which such lands are located.

## DIRECTOR OF FINANCE

TABLE 8.—*Transfers to Department of Agriculture from appropriations to other departments; and advance working funds for services performed—funds available for obligation; and expenditures, fiscal years 1948 and 1949*

Item	Fiscal Year 1948		Fiscal Year 1949	
	Current transfers and advances	Total funds available <sup>1</sup>	Expenditures <sup>2</sup>	Total funds available <sup>1</sup>
<b>Transfers:</b>				
Foreign-aid funds:				
Economic Cooperation Administration funds.....	\$7,862,096	\$7,862,096	\$3,365,315	\$80,737,268
Foreign aid, Austria, France, and Italy.....	22,941,220	22,941,220	14,703,624	\$15,802,505
Relief assistance to countries devastated by war.....	16,069,678	16,069,678	15,158,441	343,628
Assistance to Greece and Turkey.....	4,146,166	4,146,166	3,359,687	178,477
Foreign Aid, China.....	1,983,622	1,983,622	716,734	175,252
Lend-lease and UNRRA funds.....	700,000	700,000	843,868	170,611
Total, foreign aid funds.....	53,702,782	53,702,782	38,147,669	2,077
International Information and Educational Activities.....	1,198,181	1,198,181	1,149,245	16,672,550
Salaries and expenses, War Assets Administration.....	982,909	982,909	1,187,245	1,216,401
Synthetic liquid fuels.....	127,312	127,312	66,258	78,306
Construction, water conservation and utility projects.....	205,921	205,921	39,161	24,530
All other transfers.....	1,009,039	1,009,039	369,433	395,345
Total, transfers.....	56,906,729	57,226,252	40,939,276	83,012,943
<b>Working funds advanced to:</b>				
Forest Service.....	604,532	1,081,415	152,284	565,382
Production and Marketing Administration.....	380,414	679,836	285,062	756,200
Agricultural Research Administration.....	253,657	563,980	182,673	841,841
All other.....	265,844	319,812	4 -33,982	468,657
Total, working funds.....	1,504,447	2,645,043	586,037	2,501,080
Subtotal.....	58,411,176	59,871,295	41,545,313	32,212,174
Deduct funds which continue available in subsequent years.....		-2,578,312	-	-
Total.....	58,411,176	57,292,983	41,545,313	30,656,651
Foreign aid funds obligated for procurement of agricultural commodities by the Commodity Credit Corporation <sup>4</sup> .....	587,574,906	587,947,344	517,817,453	740,902,685

<sup>1</sup> Consists of current year transfers and advances and balances of amounts made available in prior years.

<sup>2</sup> Expenditure figures reflect checks issued during a particular year in payment of outstanding obligations, incurred both in that year and in prior years, which have become due and payable. Expenditures therefore are not necessarily comparable with the funds available for obligation shown in the preceding column.

<sup>3</sup> Minus expenditure resulted from additional advances during the year which exceeded expenditures.

<sup>4</sup> This entry has been added to make this a complete statement of the transfers to the Department. However, the amounts have been excluded from the "Total," above to avoid duplication, since Commodity Credit Corporation procurement activities for the foreign-aid programs are included in the financial statements of the Corporation in tables 11, 12, and 13.

TABLE 9.—*Trust Funds—funds available for obligation, and expenditures, fiscal years 1948 and 1949*

Item	Fiscal Year 1948			Fiscal Year 1949		
	Receipts 1	Total Funds Available 2	Expenditures 3	Receipts 1	Total Funds Available 2	Expenditures 4
Animal Industry, Bureau of Expenses and refunds, inspection and certification of earned wet animal foods.	\$98,907	\$78,547	\$57,814	\$107,818		\$105,392
Farmers Home Administration:						
Operation and maintenance of resettlement and rural rehabilitation projects.	14,288,757	1,197,607	359,752	11,114,833	885,124	249,621
State Rural Rehabilitation Corporation funds.	40,622	19,377,284	6,081,652	25,361	22,108,214	19,283,138
Other.	114,582	70,074	70,074	80,227	80,227	75,082
Forest Service:						
Construction of forest access roads to standing timber.						
Cooperative work	5,386,751	2,294,467	2,885,413	6,315,607	13,407,557	95,997
Production and Marketing Administration:						
Expenses and refunds, inspection and grading of farm products.	5,128,829	7,670,612	5,113,242	5,489,807	8,171,853	5,464,345
Ggrading of agricultural commodities for CCC.	816,200	1,141,526	842,133	988,420	1,278,216	1,127,906
Moisture content and grade determinations for CCC.	966,012	335,174	(6)	7,244,499	2,228,107	4,13
Other.	62,734	1,205,210	3,743	188,549	1,392,530	6,69
Soil Conservation Service:						
Operation and maintenance, water distribution systems, water conservation and utilization projects.	10,533	24,585	7,448	10,356	24,052	11,605
Payments in lieu of taxes, and operation and maintenance costs, water conservation and utilization projects.	107,645	180,461	46,332	42,333	175,739	26,693
Other, including miscellaneous funds advanced to the Department under cooperative agreements.	206,514	470,474	386,415	574,631	563,507	413,588
Subtotal.	27,071,013	45,815,622	20,573,376	32,051,887	50,453,244	32,727,356
Deduct funds which continue available in subsequent years.		-23,810,593			-19,250,226	
Total.	27,071,013	22,005,029	20,573,376	32,051,887	31,203,018	32,727,356

<sup>1</sup> Represents the amounts received in trust fund receipt accounts during the fiscal year.  
<sup>2</sup> Reflects the total available for obligation in trust fund appropriation accounts, including unexpended balances brought forward from past years.  
<sup>3</sup> Expenditure figures reflect checks issued during a particular year in payment of outstanding obligations, incurred both in that year and in prior years, which have become due and payable. Expenditures therefore are not necessarily comparable with the funds available for obligation shown in the preceding column.

<sup>4</sup> Pursuant to the authority contained in sec. 388 and 392 of the Agricultural Adjustment Act of 1938, as amended, funds available in this account are, with occasional minor exceptions, transferred to the consolidated accounts for State and National expenses and local administration, and expenditures are therefore reflected in the figures shown for these accounts in table 6.

## DIRECTOR OF FINANCE

23

TABLE 10.—*Noncorporate lending agencies—combining statement of sources and application of funds, fiscal year 1949 and comparison in total with fiscal year 1948.*<sup>1</sup>

Item	Total fiscal year 1948 <sup>2</sup>	Total	Fiscal year 1949	
			Farmers Home Administration	Disaster loans revolving fund (FHA) <sup>3</sup>
<b>FUNDS APPLIED</b>				
To acquisition of assets:				
Loans made	\$333,028,125	\$421,485,473	\$98,020,100	\$1,142,495
Purchases of U. S. Government securities	1,000,000	16,500,000		
Purchase of capital stock of Banks for Cooperatives		79,810	112,729	68,766
Acquisition of equipment	10,664	14,094		
Acquisition of security or collateral on defaulted loans				940
Total	334,118,599	438,112,296	98,085,866	1,143,355
To expenses	39,027,717	45,765,808	23,874,027	73,496
To repayment of borrowings and deposit of collections in U. S. Treasury, etc.:				
Collections of principal and interest on loans and other assets:				
Used to repay borrowings from U. S. Treasury	65,184,365	17,881,786		
Deposited as miscellaneous receipts in U. S. Treasury	117,549,389	120,384,723	120,124,482	260,241
Appropriated funds returned to U. S. Treasury or transferred to other Government agencies	2,455,864	2,111,862	2,035,231	
Total	185,189,618	140,378,371	122,159,713	260,241
To net increase in working capital and deferred items	1,500,297	45,563,770		43,134,618
Total funds applied	659,836,231	669,820,245	244,122,606	44,611,790
<b>FUNDS PROVIDED</b>				
By realization of assets:				
Repayments on loans	153,582,891	123,785,231	99,728,513	135,282
Refinement of capital stock of Banks for Cooperatives		16,500,000		
Disposition of land, structures and equipment	227,306	32,279	52,236	
Disposition of security or collateral acquired on defaulted loans	305,124	274,498	101,863	12,512
Total	154,115,321	140,612,008	99,882,612	147,794
By income:				
By borrowings and appropriations:				
Borrowings from U. S. Treasury	37,425,215	41,710,774	22,098,531	63,986
Appropriations from U. S. Treasury				
Total	232,042,000	315,000,000	115,180,000	44,400,000
By net decrease in working capital and deferred items	342,028,153	480,536,000	115,180,000	44,400,000
Total funds provided	26,267,542	6,961,463	6,961,463	244,122,606
	559,836,231	669,820,245	44,611,790	363,138,611

<sup>1</sup> Prepared from reports submitted pursuant to Budget-Treasury Regulation No. 3, Revised, issued under Executive Order No. 9512, as amended. Reflects certain adjustments for purposes of uniformity and comparability.

<sup>2</sup> Includes activities of former Regional Agricultural Credit Corporation of Washington, D. C. See footnote 3.

<sup>3</sup> Established effective Apr. 16, 1949, pursuant to the provisions of Public Law 38, 81st Cong., approved Apr. 6, 1949. This legislation also provided for the dissolution of the Regional Agricultural Credit Corporation of Washington, D. C., and the transfer of its functions, assets, liabilities, etc. to the Secretary of Agriculture. The Secretary has transferred the functions, powers, and authorities conferred by Public Law 38, except the power and authority to designate areas or regions where production disasters have caused a need for agricultural credit, to the Farmers Home Administration. The data shown represent activities of the corporation for the period July 1, 1948-Apr. 15, 1949, inclusive, and activities of the Revolving Fund for the period Apr. 16-June 30, 1949, inclusive.

TABLE 11.—Corporations—combining statement of sources and application of funds, fiscal year 1949, and comparison in total with 1948<sup>1</sup>

Item	Total fiscal year 1948 <sup>2</sup>	Total	Commodity Credit Corporation	Federal Crop Insurance Corporation	Fiscal year 1949			Farm Credit Administration
					Federal intermediate credit banks	Banks for cooperatives	Federal land banks	Federal Farm Mortgage Corporation
<b>FUNDS PROVIDED</b>								
By realization of assets:								
Repayments on loans	\$2,280,299,949	\$2,633,970,372	\$480,012,761	\$440,981,543	\$1,532,352,129	\$156,695,173	\$23,928,766	\$35,283,540
Sales of commodities	2,133,679,531	1,761,923,393	161,316,962	—	83,152,848	32,880,574	—	5,996,750
Sale of securities	52,205,622	—	—	—	—	—	—	—
Retirement of class A stock of production credit associations	9,766,206	5,996,750	—	—	—	—	—	—
Disposal of fixed assets and administrative equipment	1,415,228	579,262	—	—	—	—	—	—
Sale of security or collateral acquired on defaulted loans	1,501,819	1,355,298	—	—	197,071	—	838,265	299,932
Total	4,478,958,415	4,573,142,037	2,250,515,416	441,178,614	1,615,504,977	190,434,012	24,225,728	51,280,230
By income <sup>3</sup>	227,550,323	97,042,217	12,051,887	\$19,590,770	9,548,639	11,710,897	38,386,279	4,105,810
By borrowings, capital and surplus subscriptions, and appropriations:								
Borrowings:								
From U. S. Treasury	963,600,000	2,497,500,000	2,497,000,000	—	165,847,348	—	—	500,000
From other Government agencies	143,511,697	166,847,348	150,810,252	—	84,485,000	776,000,000	20,919,100	—
From the public	1,034,406,408	1,041,214,352	—	—	—	—	—	—
Capital and surplus subscriptions:								
By U. S. Treasury	—	—	—	—	—	—	—	—
By other Government agencies	10,500,000	16,500,000	18,175,370	—	16,500,000	—	—	—
By borrowers	21,140,660	—	—	—	9,608,300	—	8,567,070	—
Appropriations from U. S. Treasury, including transfers from other Government agencies	5,042,392	3,893,203	—	3,893,203	—	—	—	—
Total	2,177,631,217	3,744,130,273	2,656,810,252	3,893,203	277,440,618	776,000,000	29,486,170	500,000
By net decrease in working capital and deferred items	11,780,450	1,140,545,367	1,006,827,500	—	—	1,589,663	—	41,876,512
Total funds provided	6,895,920,405	9,554,859,894	6,016,205,005	23,433,973	728,167,921	2,404,805,537	258,306,461	70,711,050
<b>FUNDS APPLIED</b>								
To acquisition of assets:								
2,438,849,483	4,429,521,121	2,193,216,778	—	—	—	—	—	125,166
1,999,606,264	2,289,377,830	2,289,377,830	—	—	—	—	—	—
Purchase of commodities and related costs	—	—	—	—	—	—	—	—
Items made	—	—	—	—	—	—	—	—
Total	2,438,849,483	4,429,521,121	2,193,216,778	—	—	—	—	125,166

<sup>1</sup>To 31 December.<sup>2</sup>For period ended 30 June.<sup>3</sup>For period ended 30 June.

**DIRECTOR OF FINANCE**

25

<sup>1</sup> Prepared from reports submitted pursuant to Budget-Treasury Regulation No. 3, Revised, issued under Executive Order No. 8512, as amended.

appraisal establishes the net worth less than \$100,000,000, the Secretary of the Treasury on behalf of the United States shall restore, after appropriate action by the Congress, the amount of such capital impairment by a contribution to the Corporation in the amount

of such impairment. The 1938 total for this item includes a similar payment by CCC in the amount of \$17,693,432.

<sup>6</sup> Dividend paid from Earned Surplus into the general fund of the U. S. Treasury pursuant to "The Government Contractors Association Act of 1939."

<sup>1</sup> Represents payment to the U. S. Treasury of the surplus of CCC as of June 30, 1948 determined through an appraisement by the Secretary of the Treasury as amended. The act authorizes that date in accordance with the Act of Mar. 8, 1938, as amended.

<sup>2</sup> Includes \$30,000,000 repayment pursuant to "The Government Corporations Appropriation Act, 1939."

<sup>3</sup> For identification of items included under each "general type of activity", see p. 30.

TABLE 12.—Corporations—combining statement of income and expense, fiscal year 1949 and comparison in total with fiscal year 1948.

		Farm Credit Administration				
Item	Total fiscal year 1948 <sup>2</sup>	Commodity Credit Corporation	Federal Crop Insurance Corporation	Banks for cooperatives	Federal intermediate credit banks	Federal Farm Mortgage Corporation
Income:						
Sale of commodities owned.	\$2,155,127,904	\$1,776,645,594	\$1,769,923,393	\$6,722,201		
Credit for price-support losses recovered from:						
Secretary of Treasury 3	55,768,386	471,046	5,336,887			
Interest earned on loans	61,210,162	64,182,902				
Interest earned on securities	6,228,429	5,949,921				
Other interest and dividends earned	3,711,255	1,210,514	958,869	218,273	1,047,032	\$15,803,660
Crop insurance premiums	40,709,038	12,650,206		12,650,296	217	11,655
Profit on disposition of various assets	2,433,123	2,300,593	479,914			
Recoveries on assets charged off	149,360	22,430				
Miscellaneous other income	36,025,602	12,127,071	11,573,304			
Total income	2,361,393,259	1,875,551,367	1,788,743,413	19,590,770	9,548,659	11,882,621
Expense:						
Cost of commodities sold	2,232,805,820	2,027,146,652	2,020,398,514	6,748,188		
Interest expense	18,776,385	30,933,413	8,881,156			
Administrative expenses	34,672,371	35,032,314	41,806,136	5,467,833	1,695,308	4,1,542,658
Depreciation	713,714	636,919	575,169		1,282	
Crop insurance indemnities	34,692,771	8,145,636	8,145,636			
Direct program settlements (net)	12,877,402	2,390,987	2,390,987			
Loans receivable and other assets charged off	415,544	1,365,621	508,966	62,254		
Loss on disposition of various assets	15,354	72,922			337	
Amortization of net premium paid on securities	750,147	191,462				
Miscellaneous other expenses	15,713,761	7,750,120	7,745,966			
Total expense	2,349,932,835	2,113,666,066	2,051,306,654	18,423,901	4,376,252	10,246,606

Net income or loss (-) before (1) provision for estimated losses and (2) adjustment for price-support losses	11,460,424	-238,114,699	-262,563,241	1,166,869	5,172,407	1,636,015	13,830,612	2,328,406	314,233
Increase (+) or decrease (-) in income arising from:									
Changes in reserves for estimated losses	+67,780,527	-334,207,818	-336,470,884	-1,531,703	-2,441,753	+1,648	+809,275	+5,360,199	+65,400
Price-support losses charged to "Reserve for Postwar Price-Support of Agriculture"	+10,294,367	+429,754,997	+429,754,997						
Net increase (+) or decrease (-) in income	+78,074,834	+95,547,179	+93,284,113	-1,531,703	-2,441,753	+1,648	+809,275	+5,360,199	+65,400
Net income or loss (-) for year	89,535,258	-142,567,520	-169,279,128	-364,834	2,730,654	1,637,663	14,639,887	7,688,605	379,633

(-) indicates negative item.

<sup>1</sup> Prepared from reports submitted pursuant to Budget-Treasury Regulation No. 3, Revised, issued under Executive Order No. 9512, as amended.

<sup>2</sup> Reflects certain adjustments for comparability with 1949 data.

<sup>3</sup> Results from disposal by Commodity Credit Corporation of price-support commodities appropriate for assistance and relief to foreign countries at prices equivalent to the domestic price of a quantity of wheat having a calorie value equal to that of quantity so disposed of, pursuant to Public Law 386, 80th Cong. This legislation authorized the Secretary of the Treasury to cancel notes payable of Commodity Credit Corporation, held by him, in an amount equal to the losses sustained by CCC through such disposals. Pursuant to this legislation, notes amounting to \$66,239,432 were canceled in fiscal year 1949.

<sup>4</sup> Congressional limitation on expenditures from corporate funds for administrative expenses for 1949: Commodity Credit Corporation, \$10,514,700; Federal Intermediate credit banks, \$1,555,000; Federal Farm Mortgage Corporation, \$2,000,000; and production credit corporations, \$1,558,000.

<sup>5</sup> Funds for administrative expenses provided by annual appropriation (1949 amount \$4,450,801, including unobligated balance of 1948 appropriation made available to complete the orderly liquidation of the 1947 and prior crop years programs).

TABLE 13.—Corporations—combining condensed balance sheet as of June 30, 1949 and comparison in total with June 30, 1948<sup>1</sup>

Item	Total June 30, 1948 <sup>2</sup>	Total	Farm Credit Administration			
			Commodity Credit Corporation <sup>3</sup>	Federal Crop Insurance Corporation	Banks for coopera- tives	Federal inter- mediate credit banks
<b>Assets:</b>						
Cash	\$743,906,687	\$286,372,741	\$197,041,223	\$34,735,046	\$18,143,349	\$13,825,771
Investments	284,875,382	413	—	43,312,526	45,054,439	86,437,280
Loans receivable (net)	1,847,292,898	2,922,565,610	1,120,800,512	243,547,837	643,602,435	843,872,827
Accounts and notes receivable (net)	224,769,124	176,712,714	171,109,615	29,817	463,291	1,343,425
Commodities owned (net)	221,041,029	922,809,345	922,809,345	—	—	—
Land, buildings, and equipment (net)	6,475,636	5,863,589	487,208	49,353	—	5,327,028
Other assets (net)	25,380,659	49,046,732	22,539,404	2,710,659	4,989,159	17,046,464
<b>Total assets.</b>	<b>3,353,751,704</b>	<b>4,600,756,144</b>	<b>2,443,588,307</b>	<b>38,075,684</b>	<b>307,793,541</b>	<b>65,890,303</b>
<b>Liabilities:</b>						
Accounts payable	67,504,373	93,880,640	91,188,919	816,150	20,665	477,163
Advance payments received in connection with sales of commodities	47,839,234	71,993,403	71,993,403	—	—	—
Bonds, debentures, and notes payable	1,748,823,242	3,037,365,134	1,678,342,994	68,517,803	605,570,000	683,236,477
Obligation for purchase and guarantee of loans held by private lenders <sup>4</sup>	17,192,720	524,403,750	524,403,750	—	—	—
Reserve for postwar price support of agriculture	429,754,997	( <sup>5</sup> )	—	—	—	—
Other liabilities	56,610,920	188,082,527	148,434,372	3,244,981	624,425	5,298,717
<b>Total liabilities.</b>	<b>2,367,825,486</b>	<b>3,915,725,454</b>	<b>2,514,373,438</b>	<b>4,061,131</b>	<b>69,162,893</b>	<b>611,345,880</b>
<b>Excess of assets over liabilities.</b>	<b>985,916,218</b>	<b>685,030,690</b>	<b>—70,515,131</b>	<b>34,014,563</b>	<b>238,630,64</b>	<b>96,588,215</b>
Represented by:						
Capital stock:						
Owned by private interests	68,904,778	70,831,702	—	13,916,300	56,915,402	—
Owned by U.S. Government	520,145,000	484,745,000	100,000,000	178,500,000	60,000,000	10,000
Funds appropriated from the U. S. Treasury for administrative expenses	53,402,449	55,190,427	—	55,190,427	500,000	—
<b>Total.</b>	<b>643,042,227</b>	<b>611,267,129</b>	<b>100,000,000</b>	<b>155,190,427</b>	<b>60,500,000</b>	<b>56,915,402</b>
						10,000
						46,235,600
						—
						63,375,663

Net accumulated earnings or losses (-):	
Legal reserves:	
Private interests.....	94,677,302
United States interests.....	10,266,468
Reserves for contingencies:	11,112,933
Private interests.....	471,262
United States interests.....	16,878,738
Unreserved earned surplus or deficit (-):	105,758,486
Private interests.....	114,827,735
United States interests.....	-160,241,609
Total.....	342,875,991
Not excess.....	985,916,218

(-) Indicates negative item.	
<sup>1</sup> Prepared from reports submitted pursuant to Budget-Treasury Regulation No. 3, Revised, issued under Executive Order No. 8512, as amended.	
<sup>2</sup> Data for June 30, 1948, reflects certain adjustments for purposes of comparability with data as of June 30, 1949. Included are certain adjustments in "Paid in surplus, U. S. Government" and in "Unreserved earned surplus or deficit (-) - United States interests" in order to give recognition to the establishment of Commodity Credit Corporation as a permanent agency of the United States under a Federal Charter. (See footnote 3.)	
<sup>3</sup> Through June 30, 1948, the CCC operated under a Delaware Charter, and its status as an agency of the United States was granted by statutes expiring at intervals of one or more years. Effective July 1, 1948, by Public Law 806, 80th Congress, approved June 29,	

<sup>1</sup> Represents a permanent agency of the United States, conferring upon it substantially all of the powers theretofore used by the Corporation in its operations under the Delaware Charter and continuing in effect all Federal statutes applicable to the Delaware corporation.

<sup>2</sup> Represents Commodity Credit Corporation obligation to purchase commodity loans held by private lenders amounting to \$17,192,720 at June 30, 1948, and \$324,402,655 at June 30, 1949, and obligation for guarantee of storage facility loans held by private lenders amounting to \$1,065 at June 30, 1949.

<sup>3</sup> Charges for losses on price support activities during fiscal year 1949 completely exhausted the balance remaining in the Reserve at June 30, 1948.

## **Classification of Agencies, Corporations, and Programs by General Type of Activity or Purpose, as Used in Tables 1 and 11**

### **Research, service, and regulatory functions, including pest and plant and animal disease control**

Bureau of Agricultural Economics  
Office of Foreign Agricultural Relations  
Extension Service  
Agricultural Research Administration  
Research and Marketing Act of 1946  
Commodity Exchange Authority  
Salaries and Expenses, Marketing Services  
Control of Forest Pests  
Research Funds of Forest Service, Soil Conservation Service, Farm Credit Administration

### **Agricultural loan, investment, and insurance programs**

Farmers Home Administration  
Farm Credit Administration (including corporations under the supervision of Farm Credit Administration)<sup>1</sup>  
Rural Electrification Administration (including Reconstruction Finance Corporation and Treasury loan authorizations)  
Federal Crop Insurance Corporation

### **Production, purchase, diversion, and distribution of agricultural commodities**

Sugar Act  
Supply and Distribution of Farm Labor  
Exportation and Domestic Consumption of Agricultural Commodities (Section 32)  
National School Lunch Act  
Transfers from Economic Cooperation Administration Appropriations  
Commodity Credit Corporation

### **Conservation and development of agricultural land, water, and forest resources**

Soil Conservation Service<sup>1</sup>  
Land Utilization and Retirement of Submarginal Land  
Water Conservation and Utilization  
Flood Control  
Conservation and Use of Agricultural Land Resources  
Forest Service (including Forest Roads and Trails)<sup>1</sup>

### **Departmental, administrative, legal, and other central services**

Office of the Secretary  
Office of Solicitor  
Office of Information  
Library

---

<sup>1</sup> Excludes research projects, which are included in first group

## **OFFICE OF BUDGET AND FINANCE**

### **Statement of Functions**

The Office of Budget and Finance serves as a staff agency of the Secretary in carrying out departmental functions relating to over-all administration of the budgetary, procurement, and fiscal affairs of the Department. It has responsibility for providing leadership and coordination of these activities throughout the Department, including the acquisition and distribution of funds; accounting; auditing; budgetary and financial reporting; budget, fiscal, and procurement organization and management; purchasing, warehousing, utilization, and disposal of administrative and operating supplies and equipment; and related activities.

The Office also has responsibility for formulating and promulgating departmental policies and procedures relating to such functions, including the review and evaluation of program and legislative proposals for budgetary, financial, and related implications, and, in cooperation with staff and program agencies, for obtaining improvements in the management and operation of work programs administered by the Department. It acts as Department liaison on all such matters with the Congressional Committees on Appropriations, Bureau of the Budget, General Services Administration, General Accounting Office, Treasury Department, and others.

### **Management Improvement Activities**

The efficient and effective administration of Department activities is a primary concern of the Office of Budget and Finance. In cooperation with other staff offices and the program agencies of the Department, the Office develops and works for the adoption of administrative and operating methods and procedures that are responsive to the needs of management.

To the extent permitted by its available staff, the Office assists agencies of the Department in making surveys and analyses of their administrative practices, and conducts independent studies in special problem areas to identify and improve those practices which are least effective. Also, in the review of program activities in the field and in the consideration of agency budgetary, fiscal, and other proposals, work programs are appraised to obtain improvements in the administrative methods essential to the most constructive and efficient application of the total resources available for carrying out the Department's work.

A number of management improvements are discussed in this report. Of a general character is the participation of staff members on the Policy and Executive Committees of the Department's Management Improvement and Manpower Utilization Program. Through this program and by other means, the attention of operating management and individual employees is alerted and focused in such a way as to recognize and assure the adoption of forward-looking ideas which

will constitute tangible and concrete improvements in the management of work programs.

### **Accounting Systems and Procedures**

The Office continued during the year to work closely with the General Accounting Office in the review, evaluation, and determination as to the applicability to departmental and agency fiscal operations of new methods and techniques which are being developed as a part of the recently initiated program designed to modernize and improve the accounting and auditing activities of the Federal Government. This program, sponsored jointly by the General Accounting Office, the Bureau of the Budget, and the Treasury Department, emphasizes the development and maintenance of accounting systems which will be responsive to the management needs of each individual agency.

In keeping with the concepts of the joint program, the Comptroller General's recent approval of accounting systems for certain Agriculture agencies involved a stating of requirements largely in terms of broad patterns or guides which will be used as a nucleus for the development, in the Department, of more complete systems and procedures. Pilot installations are now in operation in several of the agencies to test new disbursing procedures and auditing methods. Further similar developments under the program are anticipated, and this Office will continue to coordinate the work and evaluate results.

### **Surveys and Examinations of Accounting Operations**

A number of surveys of fiscal and accounting operations in the agencies were conducted for the purpose of recommending and assisting in the simplification and improvement of accounting and auditing procedures and the installation of more efficient work methods. Examples of specific activities in this area include (1) analyses of methods used to distribute expenditures to two or more appropriation or fund accounts, (2) special studies relating to agency examinations of vouchers covering goods and services purchased, (3) studies to determine the proper charges to be made by an agency to obtain reimbursement for services performed for another agency, (4) special studies of fiscal operations related to pay rolls, annual and sick leave, and retirement, and (5) establishment of adequate accounting controls and reporting procedures for retirement deductions from employees' salaries.

The Comptroller General submitted 71 reports covering examinations of the operations of Department field offices during the year, as compared to 39 such reports submitted last year. Each report was reviewed carefully not only to determine the specific administrative action required by the Department or agency, but also to disclose problems which might have Department-wide application or on which action on a Department-wide basis might be required or desirable.

In addition, all exceptions and suspensions made by the General Accounting Office in its audit of expenditure vouchers of Department agencies continued to receive careful analysis. Experience has indicated that information obtained from such analyses has been par-

ticularly valuable in effecting prompt clarification of various matters with the General Accounting Office, and in disclosing areas in the voucher-review process to which additional efforts should be directed in order to prevent the recurrence of similar types of exceptions.

### New Federal Property Law

The Federal Property and Administrative Services Act of 1949 (Public Law 152) is probably the most significant legislation of the last three or four decades insofar as Federal property management is concerned. Interest in the improvement of procurement and supply management had been evidencing itself in both the legislative and executive branches of the Government for some time, and near the end of the third quarter of the fiscal year it became evident that action was imminent. During the Congressional consideration of proposals affecting practically all phases of Federal supply activities, the Office studied the various measures proposed, discussed with the agencies those which it appeared would have an impact on the Department's programs, and worked with the Bureau of the Budget and Congressional committees in developing alternative proposals which would more nearly meet program needs.

Major revisions in the Department's regulations and corresponding adjustments in agency operating procedures were necessary early in the fiscal year as a result of Public Laws 862 and 640, Eightieth Congress, vesting control in the Bureau of Federal Supply over the declaration, transfer, and disposal of surplus machines.

### Consolidating Small Purchases

A long-term study of methods to effect economies in making small purchases resulted in the issuance of an illustrated pamphlet on Suggestions for Improving Small Purchase Procedures. Among other suggestions, it encourages planning to reduce the number of small purchase orders and periodic billing and consolidated voucherizing to reduce payment costs. The pamphlet was given wide distribution in the Department, and it has proved to be of such unusual interest to other Government agencies that study is being given to its adoption for general application.

### Procurement Liaison and Related Activities

The Department's interest and direct concern with the development and improvement of Federal Specifications was evidenced by the fact that a member of this Office served as vice chairman of the Federal Specifications Board. The Office also participated in plans of the United States Standard Commodity Catalog Board for developing a uniform catalog system. Special assistance was given to the newly established Civil Establishments Advisory Catalog Board in coordinating the cataloging interests of the civil establishments of the Government with those of the military establishment.

Other major supply-management activities during the year included (1) cooperation with the Federal Standard Contract Committee in studies to improve current and devise new standard contract forms;

(2) continuation of joint property accounting studies begun last year, and recommendations of the Department to the Joint Property Accounting Staff; (3) an analysis of the Department's fiscal year 1948 automotive equipment operating data for use in planning for maximum utilization of vehicles and economy in their operation; (4) further studies, in cooperation with the Interdepartmental Motor Equipment Committee, of a proposed standard system of reporting operating and cost data of motor vehicles; and (5) surveys of the utilization of Federal civilian supply warehouses in the field.

### **Contracting**

In the latter part of the fiscal year there was a noticeable increase in competition in the procurement of all classes of administrative and operating supplies and equipment. Prices and delivery dates became more attractive than at any time in recent years. Departmental agencies continued to exercise delegated contracting authority, and were given new and broader authority when needed to carry on program operations to the best advantage.

As in the past, some of the larger and more complex transactions were reserved for departmental review and handling. The Office awarded 2,901 contracts during the fiscal year 1949, as compared to 2,447 in 1948, and 1,765 in 1947. These contracts included major construction (including numerous flood-control projects), supply and equipment items such as conservation materials (limestone, superphosphate, etc.), chemicals, insecticides, heavy machinery, road-building equipment, surveying, laboratory and scientific equipment, aerial surveys, airplane spraying and dusting service, feed and forage for research and experimental livestock, etc.

### **Property Utilization**

The maximum use of property to avoid unnecessary purchases was encouraged by a revision of the Department's regulation on the borrowing and lending of property to meet temporary needs, and the periodic inspection of agency property storerooms to assist in improving housekeeping practices and determining surpluses. The Department continued to receive, distribute, and dispose of appreciable quantities of surpluses; however, surplus Federal property resulting from wartime activities was no longer a major source of supply. The Area Agricultural Equipment Committees were particularly active in locating usable surpluses both within and outside of the Department. Completion of the decentralization of certain agency property activities contributed to fuller utilization of the committees' services.

### **Forms Management**

The completion during the year of a manual on forms management to guide those who design, produce, order, store, and issue forms, marked another step in the Department's effort to achieve effective and efficient administration. These instructions, which have been issued as a part of the Department's Administrative Regulations, will be helpful to employees concerned with this aspect of administration

by alerting them to the need for, and ways of, keeping procedures and forms simple and practicable to the end that paper work required to carry out the Department's programs and activities is kept to a minimum. To aid in avoiding the design and use of different forms within the various agencies of the Department for the same or a similar purpose, the material contains facsimiles of forms in common use in the Department.

### **Performance Budgeting**

For many years this Office has exercised leadership in the work of integrating Department budgetary planning and presentation with program development and operation, to the end that budgeting would become an integral part of over-all management. Accordingly, in its budget presentation the Department has utilized activity schedules and has prepared justifications in terms of program objectives, thus furthering a better understanding of the intended use of funds requested, and the purposes of the programs which the Department administers. Efforts are continually directed to improvement of appropriation and activity structures to make the Department's budget fully informative, and expressive of actual performance of the public services which the Department is currently rendering.

The performance budget recommended by the Hoover Commission, the principal elements of which are being adopted for Government-wide application, found the Department of Agriculture equipped with the basic budgetary pattern and experience in the development of budgets expressed in terms of program objectives and accomplishments. In anticipation of Government-wide adoption of such a budgeting technique, steps have been initiated to further refine budgetary procedure in the Department in line with the newly prescribed requirements.

### **Departmental Discussions on Budget Formulation**

The Office of Budget and Finance seeks to assure that Department employees engaged in budget work are kept aware of the broader policy aspects of budgetary administration, as well as the details of technical budget preparation. The Office took the leadership in conducting, in cooperation with agencies of the Department, a series of discussions on the techniques and problems of budget formulation.

The purpose of the discussions was (1) to stimulate a further awareness of the significant place which budget preparation holds in program planning; (2) to develop a greater appreciation of the policy considerations with which budget offices must often be concerned; (3) to further an understanding of the reasons behind present budgetary procedure and requirements; (4) to emphasize the importance of continuous planning for budget improvements which will adapt budgetary processes to changing administrative needs; (5) and to provide a common "forum" through which people in the Department could exchange knowledge and valuable experience that might be of mutual benefit in solving budget problems confronting them in their own work.

### Reporting Budgetary and Financial Information

One of the primary objectives of the joint program of the General Accounting Office, Bureau of the Budget, and the Treasury Department is to develop reporting systems which will produce accurate, timely, and complete financial statements for the Government as a whole, and which will meet the needs of operating management in the agencies for information which will assist in determining progress of programs, evaluating results, and planning future action. A number of improvements were developed, the benefits of which will accrue beginning with the fiscal year 1950, in reports to outside agencies on the status of appropriations. Included among such improvements was the elimination of two monthly reports deemed no longer necessary.

Significant among the reporting activities of the Office are special reports prepared in response to requests from members of the Congress, other Government agencies, and agencies and individuals outside the Government. Special reports required during the past year indicated a widespread interest in the budgetary and financial aspects of the Department's programs. Whereas the volume of special reports does not vary appreciably from year to year, in view of the many and varied activities of the Department the requests are rarely for information regularly compiled for other purposes and consequently many of the reports require special handling.

### Legislative Reports and Services

The Office of Budget and Finance, in cooperation with the agencies of the Department, assisted in the formulation of the Department's legislative program. Assistance was also furnished to agencies of the Department and the Secretary's Office in the development and clearance through proper channels of proposed legislation for submission to the Congress. As the central agency in the Department for the handling of all requests for reports on proposed legislation and enrolled enactments, the Office received a total of 428 such requests during the year from the Congress and the Bureau of the Budget, representing an increase of 44 percent over the previous year. These involved making arrangements with the appropriate subject-matter agencies for the drafting of the requested reports and for their subsequent review by other interested agencies. In some instances the report was prepared in this Office, particularly where the subject-matter related to budget, fiscal, or supply-management activities. In all instances the completed reports were reviewed for budgetary, fiscal, and related implications.

Special work was done on a number of bills enacted during the first session of the Eighty-first Congress. Examples are: Public Law 38, transferring the functions of the Regional Agricultural Credit Corporation to the Secretary; Public Law 92, the Travel Expense Act of 1949; Public Law 106, authorizing control of the citrus blackfly and certain other insects; Public Law 152, the Federal Property and Administrative Services Act of 1949; and the rural housing provisions of Public Law 171, the Housing Act of 1949. Pursuant to a recommendation of the House Committee on Appropriations, work was begun with agencies of the Department, and with cooperating State agencies, to consider the drafting of proposed legislation that would codify and consolidate some legislative authorizations under which the Department is operating.



